

Revenue Collection

We are not losing heart on the reported revenue collection shortfall of Tk 220 crore in the July-September quarter of fiscal 1997-98. The deficit, in relation to the target set, should be more than met during the last three quarters of the financial year. The total tax collection figure set for the current fiscal is Tk. 15,000 crore. Our hopes for a recovery in revenue collection stem from the fact that despite an extra-ordinary plethora of court cases pertaining to duty on reconditioned cars, revenues collected during the quarter in question showed marked improvement up on the trend of the corresponding quarter of last year. As much as Tk. 200 crore did not reach the coffer as a result of writs filed by the car importers.

It won't, however, be quite a cake walk to full realisation of the revenue target for the 1997-98 fiscal. Our suggestion is the government take adequate precautionary measures in the shape of a stratagem to stave off any down-trend in resource mobilisation.

Records show that every time the Chittagong port went on wildcat strike — thanks to the nefariously factious trade unionism and subversive politicking by vested quarters — a whole range of taxes cease to be collected, to say nothing of severely affecting export-earning. The port, therefore, needs to be kept operational, regardless of what the political or labour union related circumstances are, locally as well as nationally.

The fiscal measures in the last budget included simplification of tax assessment and collection procedures. Specially the provision made for early disposal of appeals merited a good deal of praise. The NBR is hopefully monitoring the applied aspect of the procedures by way of plugging the holes of corruption or hindrances.

The internal finance division of the finance ministry including the National Board of Revenue had better opened a channel of communication with the business leaders to avert flurry of court cases on duties and likes which upset the revenue collection appreciably.

The Intangible Bars

Ten link roads connecting main traffic points of Dhaka have been planned to reduce the city's road jams. This is a big project estimated to cost about 2.5 billion Taka. Two of these roads are shortly going to be embarked upon. The rest would await EC-NEC approval expected very soon. Very encouraging indeed. There is talk of flyovers and bypasses in the air. And overpasses and underpasses are already serving the city. These must be signs of the coming of a city of wonderfully managed roads. But these evaporate when one has to spend hours to go a distance of say three kilometres.

It was Dudintsev who brought in the phrase 'not by bread alone'. We question the government, can Dhaka's traffic woes be healed by a recourse to public works treatment alone? Three billion Taka is a tremendous sum but the state can scoop it up now that it has felt the need. What is far more difficult is to heal the human part of the ailment. How can the tens of millions in the city be induced to imbibe and practice road ethics and how will the drivers be made to be careful about road-etiquette, even the educated owner-drivers?

Not by the uncivilised means practised by the city's traffic policemen. Their ignorance and their ways, including very much their weakness for easy money and their illegal and frequent recourse to brutal assaults, are things that have to be treated first. The enforcers of the traffic norms or the field force of the police on the roads are themselves a formidable bar to improvement of the Dhaka roads and movement situation.

Certain firsts and basics seem to be quite unknown to drivers of all kinds of vehicles. Such as you cannot simply stop your vehicle on your course, you must signal you are slowing as also that you are careering to your left to stop. The incredible thing is that the policeman is equally ignorant. The Farmgate area is choked wholly by empty rickshaws by the kind collaboration of the policeman. What then?

Doctor, heal thyself first.

Playing with Flights

Biman has been lately in the news for two lapses, which even by its standards of spilling surprises seem horrifically inexplicable. A New York-bound Biman flight set off for New Delhi as the first stop-over with the knowledge that landing at the Indira Gandhi International Airport was under prohibitory orders for certain hours due to an IAF exercise. It had aimed at arriving before the restriction time began, but having failed to actually do so, the DC-10 had to return to Dhaka before resuming the flight an hour later on receipt of clearance from the IGI authorities.

The New Delhi airport had, according to the standard practice, issued the Note to Airman urging not to approach the airport for a specified time-span. It was not only a sheer waste of money but also a close shave with lurking dangers in the air-lanes on its way back with as many as 165 on board.

In an earlier mind-boggling incident, captain of a Dhaka-Jeddah flight made a delayed landing — by 38 minutes — at the destination because he had apparently forgotten to carry the landing code with him.

Two inquiry committees have been set up — one by the Biman authorities and another by the civil aviation ministry — to go into these omissions and commissions with a special focus around the first incident. As for that one, a junior flight operation officer has already been suspended, but we would like to get an authentic version on the systemic flaw that contributed to the scandalisation of the New York flight. The truth must come out.

Paddy: In Quest of a Fair Price

The same groups of poor households paying a much lower price today — might have to compensate by paying a much higher price tomorrow... stability in agricultural prices is a must to ensure an assured food supply and food security in Bangladesh.

There is, perhaps, little doubt that the economic growth rate of the last fiscal at 5.7 per cent stood reasonably high to inject some hopes for the future. After all, an economy that has been reeling on an average growth rate of four per cent, suddenly appeared to have jerked. Behind this satisfactory level of economic performance, however, the contribution of agricultural sector — that grew at an "envious" 6 per cent — needs to be duly recognized and evaluated. The industrial sector performed poorly languishing at "intolerable" growth rate of only three per cent. For any move to push up the growth rate further or to arrest any debilitating decline, two challenges need to be faced. First, beef up industrial growth through enacting investment friendly policies — pursuing right kind of reforms in a regime of good governance, worthy law and order situation. Second, adopt policies that would instill a spirit among farmers to sustain these laudable efforts in the coming years.

For the moment, we would like to present few observations in the light of the successive bumper crops that our farmers, buttressed by good nature, reaped home so far and in the wake of a steep fall in paddy prices all over the country. While agricultural growth rate occurred at 6 per cent last year, prices of paddy, allegedly, went down by 20 per cent. As a result, the net income accruable to farmers fell to an intolerable level. The same thing happened with respect to jute also. After consecutive two years of good harvest and good prices, this year jute growers are faced with good harvest and bad prices. Agricultural prices are naturally prone to severe swings everywhere in the world and the large instability in agricultural prices tend to hinder the long-run development of the sector.

Stability of agricultural prices benefit both producers and consumers. Unstable prices help none but the middlemen. Price swings tend to cause "cobweb" like production behaviour where large production in a particular year for price down. Then, lower prices forces a cut in production and cut in production leads to higher prices.

So, came the role of the government in trimming price swings. The intervention of the government in the agricultural product market, historically, was felt necessary to arrest a too low or too high price. Since late 1970s, Bangladesh government had been intervening in foodgrain market in the name of procurement drive. The government creates a buffer stock through purchases from local and foreign sources. This buffer stock operates on both demand and supply side. For example, when the prices tend to fall too low, the government injects a demand in the market by offering to purchase a bulk amount. Again, when the prices tend to rise too high, the government injects a supply in the market to cause prices to fall. In other words, during falling phase, the government shifts the demand curve of paddy to the right and during rising phase, pushes the supply curve to the right.

As a policy to subdue severe swings, the procurement drive by government has been considered as welcome move. It works well in Indonesia, India, China and in some other countries. Unfortunately, in Bangladesh, government's good intentions falter in implementation. Let us look at the complex process of procurement drive in Bangladesh and the role it brings into the picture. The government attempts to purchase paddy directly from the farmers. That involves big government machinery. What actually they do is to purchase paddy from middlemen and thus eke out a "rent". The poor farmers who come to surrender their produce are deprived of a purchase on several pretexts e.g. very small volume, moisture etc. In a regime where information dissemination is not perfect, it is the middlemen and their patrons who tend to gain most — at the cost of poor farmers who tend to know the least about the whole operation of procurement. A second problem relates to payments in cheque. For a poor farmer, a cheque has gestation period, small though, and transaction costs involved to turn it into cash money. So, the desire to go to procurement centres and sell paddy soon dissipates. Third, heavy transport involved in the movement of the products also contributes to "rents" in the name of pilferage, wastage etc.

Fourth, the government's import policy also militates against procurement drive. More often than not, import of foodgrains stands out as a lucrative option to bureaucrats and politicians because "rents" are easily available from such imports. The most disconcerting thing to note is that the food shortage, in most cases, is over estimated by relevant agencies. Suppose a severe flood or drought hits Bangladesh in a particular year; quite obviously, there would be a deficit in foodgrain production. What government agencies fail to do is to take note of the fact that a fall in production should lower households' income, and to that extent, lower foodgrain demand in the market. But the overall assessment of food shortage assumes that market demand would remain constant. However, when sufficient quantity of imported foodgrains are placed into the godowns, large quantity of procurement from local sources lose space. The 1995/96 level of import of foodgrains is a clear pointer to the impact of imports on domestic price level.

Given these weaknesses, in the whole process, it is unlikely that government's attempt to stabilise prices are going to be successful and in fact it is not. Drawing upon these drawbacks, some donor agencies, reportedly, are advising the government to withdraw its hands from the market and let it be to buyers and sellers alone. We are sorry to disagree with the proposal. We strongly feel that government intervention is still of utmost importance for price stabilization. Price stability has a further ramification in terms of political stability and "vote banks". For example, one can argue that the vote bank of the present ruling party Awami League is offered by medium and large farm households. These groups are shattered by a steep fall in prices and might bounce back in future to take revenge.

Assuming that government intervention is necessary for price stabilization, we would like to suggest the following. First, it is not necessary that government has to go to farmers to procure paddy. The operation should be organized around government godown areas (and create more storage facilities, if necessary) and there should be specified months to procure paddy from farmers (e.g. December-January for Aman and May-June for Boro). Second, government should attempt to buy or sell to businessmen and traders a large chunk of their paddy. There should be a price band beyond which buying and selling would take place. Critics might argue that this would mostly benefit traders. Yes, initially it might be so, but the huge demand generated by the government would have to raise prices at farmers' level also. Third, the government can reap a small premium from the band set for prices and bear the costs of its management on the basis of "no profit, no loss" game. If such policies are adopted, we feel that a small staff could handle the huge show much more efficiently and effectively.

There was a big crash in paddy prices in 1992/93. From Tk. 268 to Tk. 197/maund. The crash was considered as "blessings" by the then policy makers who boasted of a negative inflation rate. Then we observed that agricultural production, especially of paddy, stagnated for two consecutive years. In 1995, paddy prices again shot up to Tk. 330-340/maund (Feb-March). Price responsive farmers were encouraged by the hike and in consequence, produced more paddy. But prices again dipped from Tk. 314 in May 1995 to Tk. 224 in 1996 to Tk. 200 in 1997. The spectre of stagnation again seems to loom large.

A steep fall in rice prices cuts in both ways: it helps the poor, landless and near landless and middle class households who tend to buy from the market and thus ensure their food security. But this also severely hurts medium and large farmers who supply rice to the market — and, in the event of a drastic fall in prices, might revolt by cutting down production. So the same groups of poor households paying a much lower price today — might have to compensate by paying a much higher price tomorrow. Once again, stability in agricultural prices is a must to ensure an assured food supply and food security in Bangladesh. Let farmers not be paid by the pangs of lower prices for the gains they give us in terms of food production and overall growth rate of the economy. We are dependent on each other for our survival.



Beneath the Surface

by Abdul Bayes

What will the President Do?

by Matur Rahman

THE President has recently been rather politically active. He took some initiatives prompted by certain issues which emerged on the political scene in September. The issues included the question of public meetings on the streets, selection of suitable sites for such meetings, police action against street meetings and processions, hartals and other such matters. He endeavoured to pacify the agitation created over these issues and incidents. He tried to bring about a peaceful compromise between the government and the opposition. But, yet again, no understanding was reached, no compromise attained. However, at least, further deterioration of the situation has been checked for the time being.

President Shahabuddin's moves have given a glimmer of hope to the country. Even foreign diplomats and officials of the donor agencies were hopeful at his efforts. No one would like to see yet another long drawn-out squabble between the government (Awami League) and the opposition (BNP) that would just lead to political instability once again. Many people felt that someone like President Shahabuddin, a neutral and highly respected personality, would be able to do something.

But has President Shahabuddin actually been able to do anything? The people want political stability and a peaceful environment. With this in mind, President Shahabuddin Ahmed makes frequent attempts to bring about an understanding between the government and the opposition. He does this on his own accord, from his own neutral sense of duty. The feeling that the country is more important than a person or a party has induced him over the recent past to make several statements against student politics, campus violence, political clashes and groupings and the intolerance between the government and the opposition party. The people seem to support his sentiments. But there has been some displeasure within the leadership of the ruling party regarding the President's initiatives. They feel that since they have made him president, why then he shall criticise them.

Over the past year, the television, radio and the government news agency BSS has censored the President's statements several times, have broadcast them in part. This reportedly annoyed the President, and for quite a few days in June, this year no news of the President's programmes were broadcast over television or radio. The BSS, the news agency created by the BNP, were only sent directly from Bangladesh by the PID (Press Information Department). Such incidents are certainly unfortunate.

The government and the ruling party are at times quite pleased with certain statements or actions of the President. Then again they can be quite unhappy too. The BNP also has the same attitude. Even the smaller parties and the NGO leaders have conflicting views on the President's statements and his role.

But what can the President do? What power does he have?

In the light of Bangladesh's Constitution, there is nothing he can do. He has no power at all. Article 48(2) of the Constitution states that, as head of the state, the President is above all other persons of the state. And according to Article 48(3), the President shall carry out all his duties in accordance with the advice of the Prime Minister, other than in the case of the Prime Minister's appointment. However, Article 48(5) states that the Prime Minister will inform the President of all matters of the state and foreign affairs. By enforcing the twelfth amendment to the constitution in 1991, BNP and Awami League jointly brought about this description of the President's powers. Even the President himself once remarked about this powerless position saying that the President of Bangladesh has no function other than attending funerals.

Knowing full well the circumstances, Justice Shahabuddin responded to the request of Prime Minister Sheikh Hasina, important members of the cabinet and prominent persons of the society to leave the leisure

of his retirement to become the President. We all know that even though he was Awami League's candidate, BNP could not oppose him. On the contrary, they hailed him. This gave Justice Shahabuddin Ahmed a unique position. We do know, of course, that after the 1991 election, the ruling BNP and Prime Minister Khaleda Zia did not behave decently with Justice Shahabuddin. In fact, Prime Minister Begum Zia did not display the minimum courtesy to him when he stepped down from his position as Acting President. The Awami League too, needlessly criticised him after the 1991 election. But, by successfully carrying out his duties as an Acting President upon the 1990 mass movement, Justice Shahabuddin won the love of the entire nation. He set an example of honesty and sincerity.

Prime Minister Sheikh Hasina and Awami League were highly praised for electing Justice Shahabuddin Ahmed as President on 9 October last year. This decision is considered to be one of the best decisions the present government has made so far. The special position of President Shahabuddin, and the correct decision of Prime Minister Sheikh Hasina are very much evident when it is noted that every time a conflict with the government arises, it is to him that Begum Khaleda Zia and BNP leaders go with their grievances. They go to him for a solution to their problems. The President reportedly gives them patient hearing. He exchanges opinion with them. He

has been possible to reach an understanding as to public meetings in the streets. After all, public opinion was not in BNP's favour regarding this issue. And the President had taken initiative in this connection. The government simply made matters worse by removing the Bailey bridge from Crescent Lake. All quarters have criticised this step taken in accordance with a decision adopted at the top level of the government.

We also see that BNP leaders are repeatedly calling upon President Shahabuddin Ahmed. They want his intervention for a solution to the political crisis. They have even indicated that, if the President mediates, they are willing to sit with the government to reach a compromise. But neither the government nor Awami League has spoken of any compromise through mediation by the President. At his own initiative President Shahabuddin recently visited the Home Minister Maj (ret'd) Raquul Islam and the Mayor of Dhaka City, Mohammad Hanif to Bangabhaban for talks. This has had some positive effects. After these talks with the President, police did not attack BNP's public meeting even though it was held on the street. Mayor Hanif took a second initiative to select a site for public meetings, though BNP did not respond.

When President Shahabuddin Ahmed meets with Prime Minister Sheikh Hasina or other ministers, we know that he speaks of the problems put forward by the BNP leadership. He informs them of all the problems and crises of the country which the government can solve. He gives his well thought-out advice. He perhaps differs with certain government decisions. Whether they listen to his advice or not, is entirely the government's or the Prime Minister's matter. One or two important ministers also call upon the President when they are confronted with a particular problem or they need his advice. This has proven to be fruitful.

President Shahabuddin remains an honourable position both to the government and to the opposition. The fact that the opposition and Begum Khaleda Zia, repeatedly call upon the President is in itself a big strength for the government. After all, if any urgent political problem crops up, per se, the President can talk to Khaleda Zia. He may be able to influence her even if to the slightest extent. It is the decision of the Prime Minister or the government as to how they will utilise, if they utilise at all, the position of the President. If the country faces any serious political crisis, President Shahabuddin Ahmed will play a vital role. The people will look to him as the last resort, the role Prime Minister Sheikh Hasina had hoped from President Biswas.

Even so, is President Shahabuddin Ahmed doing anything? President Shahabuddin Ahmed is doing something. While constitutionally he has nothing to do, he is consciously endeavouring from his national patriotic position to neutrally keep the country's democratic process on track. He is also making an effort to mobilise consensus on important national issues. His statements help to keep people of all quarters alert regarding student politics, campus violence, manipulations of the loan defaulters, lack of understanding between the government and opposition as well as other issues. Public opinion is gradually growing in favour of his position. By doing so, President Shahabuddin Ahmed is carefully carving a path, not simply for the present, but for the future as well, so that the nation can forge ahead on the basis of national consensus. Herein lies our hope for the country's future.

The author is Editor, Bhorer Kagoj.

We know that Begum Zia did not even adhere to the constitutional requirements of informing the President of the affairs pertaining to the state and foreign policy. Mr Biswas was quite aggrieved and spoke of this to a few persons. The present Prime Minister Sheikh Hasina, however, is aware of this. She keeps President Shahabuddin Ahmed informed of the matters of the state. She meets him upon her return from abroad. However, we do not know how far Prime Minister follows the advice which the President may give her during these meetings.

No one can say in which direction the political events will take turn in the coming days. Many people feel that the situation might turn violent. We see no signs in the government's attitude of reaching an agreement with the opposition, BNP in particular. If there was any such attitude, it would have

OPINION

Mobile Telephones and BTB

M.G. Pir

I am not an expert and do not own a mobile phone like many.

Bangladesh has created a landmark in the world of modern communication. It can be perceived from the recent coverage on BBC regarding development of mobile telephone system and the Internet in Bangladesh. In this coverage, the commentators expressed amazement at the development of this modern communication system in a poor country like Bangladesh. There was also a comment by a gentleman (on the BBC) that in India the restrictions imposed by their Telecom Department is standing in the way of proliferation of the Internet in that country. (same as in Bangladesh).

Only a few months ago, mobile telephones were a status symbol for the nouveau riche of our society. They would flip out the set anywhere and everywhere to talk on mobile phone to persons real or imaginary. Now, thanks to Grameen for coming into the market — even a poor rural woman can phone her husband in Malaysia or

Dubai or an old mother can talk to her beloved son struggling to improve his lot in the USA — the last of old opportunity. Perhaps the old mother could not see her son off or cannot write to him since he left Bangladesh 10 years ago. Today the old woman can at least talk to him from her own village. My mother did not have this opportunity 40 years ago when I was away for two years.

With the competition and novel ideas of Grameen Phone to start with and the others in the market, mobile phone is within the reach of the lower strata of the society. They should be encouraged. BTB's logic is not clear. They seem to want that the mobile telephone companies should charge for incoming calls. This is a very wrong logic and surely against the interest of development of the system. I know subscribers of some companies, who charge for the incoming calls, switch off their sets unless they require to call someone. Bengalees are great talkers. Most of us talk on phones for hours at a stretch keeping two telephones busy thus depriving others to contact on either of these lines.

What the BTB should do is to introduce local call charge on units of three minutes after six/10 minutes free time irrespective whether the call is on BTB or on mobile. This will discourage long conversations.

In short the principle should be that caller number whether on BTB or on mobile should be made to pay not the called number. Callers charge should cover the expenses of air time or the land-line time of the called.

Let open competition make modern systems within the reach of maximum number of people. Grameen for now is having troubles but with their advanced technological knowledge they will be able to overcome these problems. Perhaps they have been a little too aggressive in selling their product ahead of full development of their system. Let them and others in the line introduce newer products at cheaper rates. BTB for that matter should not restrict any of them in any way.

BTB's maid-servant programme

Sir, My attention has been drawn to the above programme telecast on the night of 13 September, 1997 after the Bangla news. The reporter nicely took interview of a lady (her husband was also present with passive role) who has 35 house servants (perhaps male and female) in her 5-member family. It is probably in Dhaka's very posh area. The question is: why did the reporter take the interview in the dark without showing the identity of the lady.

On the contrary, the lady should have given the interview publicly so the people of our country could have the chance to see a fortunate personality who speaks of advantages of keeping so many servants without any moral biting. It was really interesting that she feels proud of employing so many servants. She really deserves credit and it should go to the Guinness Book of World Records.

I have another question whether she had any human resources department. The answer by the lady was rude, audacious and proud to the extent that many may likely to guess it as 'servant culture' the same way as 'Pakistani culture'. I may be wrong. But experience generally indicates something like our very popular proverb: "the thief's mother has a big voice". I welcome opinions.

MAS
Uttara Model Town
Dhaka

"Smuggled Indian Pesticides"

Sir, It refers to a press report on the captioned subject, published in an English daily on 26th August. As reported, locally banned Indian pesticides are on rampant sale in the bordering districts of the country and farmers are interested to use those due to its cheap price and effectiveness. Pesticide trade and industry are regulated by an Act. Department of Agriculture is responsible to implement this act having a separate directorate and field staff up to thana level. They are empowered to take legal action

against traders who used to sell any banned pesticides. They can seize and confiscate such products and prosecute the traders under BPC.

The prices of pesticide both imported and locally formulated are expensive here comparing to neighbouring countries due to multiple reasons. As to effectiveness and due to lack of quality control measures by the regulatory authorities, unscrupulous traders are very active. Banned pesticides mostly popular brands. So, when a farmer finds Indian effective pesticides at cheaper price they are easily induced to buy those. It is very difficult to prevent them from buying Indian pesticides on the plea of its harmful effect and environmental pollution.

MA Jalil
Founder and Ex-Chairman
Pesticide Association,
Dhaka.

A commendable decision

Sir, I strongly believe that the Dhaka City Corporation has taken the appropriate decision by stipulating certain places for 'gonoshobha' (political public meeting). It is a commendable decision and every conscious citizen ought to welcome it.

Mushfiqur Rahman
(By e-mail)
North South University,
Banani, Dhaka

"Procrastination over ACR"

Sir, Your editorial titled "Procrastination over ACR" is very fascinating indeed. The reason for such a procrastination over annual confidential report on the officers and employees (as and when required) are not far to seek, the chief reason being the over-all impact of meritocracy against the shadows of the ministers at which the bureaucrats always reign supreme for what they believe to be right in the face of opposition from the bureaucrats.

ACR is, in fact, a farce in the executive system now. The subordinate staff working under

the guide of the bureaucrats always are at increasing the vested power and interests of their masters rather than the ministers concerned.

The individual's working capacity, discipline, loyalty, devotion to duty etc., are not always valued by the representatives of the people in a country with democratic values. Unless the political leaders are adequately trained in the act of public administration, the bureaucrats will be at work for the glory and fame of the executive machinery of the government.

If they falter, the nation will face the shadow of a hate-culture the effects of which would be bad.

Abul Shafiq Noor
House #9, Road #4, Sector #5
Uttara Dhaka

Spiritual harmony

Sir, To build Ram Temple on the ashes of Babri Masjid and sow the seed of hatred between Hindus and Muslims is a sheer dishonour to Ram whose very name is synonymous with Bharat.

To demolish a place of worship where the same Lord — the only Lord — was worshipped to whom we all owe our allegiance, it makes no difference to call him — Allah or Brommo. His greatness, might and devotion could only be achieved in peace within the soul. Hatred which creates hatred is not path to spiritual harmony. We ask only one question: is it not paying greater tribute to Lord Rama that we call Bharat Ram Janmo Bhumi instead of just Ayodhya.

The very unique character of India lies in its unity in diversity both in religion, culture and civilisation. For centuries, the saints and sages of all religions commuted to build an ideal abode of spiritual harmony. The ancient hymns recited by the gurus reverberate with a sombre sense of serenity and peace — no violence or hatred.

The people in India must realise that millions of Muslims visit Aiyra to pay homage to Hazrat Khawja Moinuddin Chisti (RA) and they intermingled with the Hindus, Christians, Jews and Buddhists.

Is it not a situation of perfect religious harmony?
At-Haj SM Khalid Chowdhury
Dhaka