

Need More than Props

The steps government has taken to shore up the free falling share market prices come in quite an assorted package with a diffused focus, so to speak. Besides, short-gestation measures are fewer in number as compared with the long-term, futuristic ones.

We appreciate that the government has raised the credit limit for brokers and dealers from the current 50 per cent to 60 per cent of the mean average of prices of a scrip for the last six months. What is more important is the directive issued to the NCBs, BSB and BSRs to support the market revival effort "within their resources". The idea of creating an additional demand in the stock market by involving the development financing institutions as brokers strikes a responsive chord with us. Subject to further improvement in the NCBs' liquidity positions one would also like to see the uncapping of bank lending to buyers. The sooner the 14 merchant banks come into operation the better for the bourses. A certain buoyancy will then be built into the floor transactions.

The brain-wave to allow the companies to buy back scrip losing out even on their fundamentals sounds good but only as a prop. We are not so much for artificial resuscitation of the stock market from time to time as we are for a streamlined and stabilised operation of the bourses. We should not be moving from one crisis management situation to another with a geometric regression of public trust in the Dhaka Stock Exchange, or for that matter, the Securities and Exchange Commission.

The problem is germane to the unstoppable declining public confidence in the whole operational system of the DSE which is archaic and so thoroughly open to insider manipulation as well out- sider scheming and subversion.

So long as we keep the stock market reform agenda in a hanging state we shall continue to have panicky recourses to ad-hoc steps that add up to virtually nothing. Let's have the central depository system and automation in place at the earliest so as to match the international standards of stock market management operations.

Why This Lynching?

One cannot help a feeling of revulsion when a big, black and italicised headline pops into sight inescapably and declares — 5 muggers beaten to death in Chittagong. Mob violence can be the cruelest thing in the world. An expression of exasperation on the part of the weak and exploited and bullied, a mob can resort to heartless and inhuman use of force perhaps as the individuals forming that do not have singly an access to force as an instrument to penalise or redress a wrong long pestering them. But this is countering sinful thing by another as sinful and perhaps more. And cannot be accepted in a settled society with its laws and universally subscribed mores that keep it together and going. This submission in a body to anger and hate is an insult to man's power to live by head and heart. And once one tries to imagine how one is simply beaten to death, what it takes to be killed by mere beating, one has no way but to be driven to sympathise with the victim.

Only days before four muggers were, can we say, lynched to death in the same city of Chittagong. Are we then in for a pattern of mass resistance to crime? A resistance that comes from a general loss of faith in law and administration and government? We must also then be in for a serious social degeneration not amenable to easy repair. Those that participated in what is traditionally called a 'haturay kil' were also participating in a gruesome crime turning what could be a sober respect for law into something abominable and abhorrent.

Why has this to happen, time and again? We cannot wish resistance to cease and however much we wish so the crime is not going to be eliminated by police action alone. While police effectiveness against such organised crime must improve by miles, social resistance must also grow together with a keener sense of responsibility.

Of the killed ones, one was a student of the local MES college. It can be that the whole gang was composed predominantly of students. The biggest single contributor to student or youth crime is unemployment. The jobs market must improve and expand to involve all young people needing a job. That is a foolproof answer. And in the fashioning of that answer the government has the most to do.

Can't Drop Guard

The country is in for yet another cold spell. The intemperate January rain hints the proverbial teeth in the cold of Bengali month *Magh* will be duly felt. This may take many of us by unpleasant surprise because having shivered and clattered our teeth through what many dubbed as the bitterest cold spell in 70 years, we are all within our commonsensical right to think that winter is over for this year. It may not be so.

At its advent, the cruel cold bite this year caught every one unawares. Naturally casualties particularly in the northern belt of the country were pretty high. It would be extremely unfortunate if the revisitation of chill finds us in an equally un-equipped state. Experience ought to hold us in good stead.

We have repeatedly tried to drive home the message that it is not cold that kills people, but poverty. It is the inaccessibility of the poor, unaccommodated in the basics of life that we have to address. The Daily Star was among the first who suggested opening up the public roofs like schools and colleges for nocturnal shelter of the homeless. But it seems to have gone a-begging.

Not just tactile discomfort, we have to think about the after effect of winter in the health sector. Cold could leave a percentage of the population suffering from pneumonia and other cold related respiratory complications.

An emergency programme for sending succour, say warm clothes, medicine seems to be what the doctor ordered. But it will have to be sincere and the authorities would do well to concentrate on the spots that winter usually casts its chilling eye on, areas like the greater Rangpur, Dinajpur, Rajshahi and Kushtia. There is no point in spreading the contingency arrangement too thin across the country.

Food First: The Sweat of Other Men's Faces

"To a people hungry and idle, God can only appear in the form of food and work"

PRESIDENT Abraham Lincoln, in his second Inaugural Address referred to "the sweat of other men's faces." It captures most succinctly the development experience of Bangladesh. It is the sweat of the farmers and the quantum jump in agricultural production and productivity that have been and will continue to be the prime mover for accelerated growth and equitable development in Bangladesh. Dr. Joe Stepanek puts it well, when he says: "The social pay-off for placing food first is the harmony between growth policies, participation in that growth, and so, in equitable, poverty-reducing impact." He adds further that if there is no demand for both staple food-grains and other high value produce, then there will be harvest glut with consequent price-slumps. On the other hand, if urban demand grows a lot faster than supplies, urban wage demand will be in price rises which can discourage investment and further employment.

This is not an illusion and the evidence in Bangladesh is quite clear. Once denigrated by Henry Kissingers as an international basket case, the farmers of the country have proved such a formidable prophet of doom wrong. Food production has increased twofold and more since independence and today food self-sufficiency is no longer a mirage but clearly attainable. Real price of rice has fallen by half over the first two decades, real wages are up, and the secular decline of fertility rate continues. Even the annual growth rate of the economy trapped in the lowly 4 per cent or less syndrome for twenty five years jumped to 5.7 per cent in 1997. Agriculture grew at 6 per cent in FY 96-97.

The harvest jumped due primarily to the revolution in seed-technology, and three per

cent annual growth is today a long-term sustainable possibility. The proviso, however, is that farmers must have access to new and healthy seed both in terms of its availability and of access to credit to purchase the same. Unfortunately, the seed replacement rate today is less than 5 per cent, and a robust seed industry is yet to take off. In that context, the importance of agriculture research and the requisite knowledge base for assessment, introduction and adaptation of frontier technology needs to be stressed. Raisuddin Ahmed of IFPRI says it well when he states, "a continuous flow of improved technology remains vital for providing a powerful incentive to sustain growth in production within a socially tolerable price environment."

Price environment poses another problem. A major governmental rice purchasing programme contributed to increased production level in the early nineties. But in 1994, when government ran out of money and a drought occurred, purchases stopped and production fell. It underscores, as Joe Stepanek says, "the age-old public problem of finding ways to sustain food price incentives and food production without doing so at such price levels that consumers protest or the budget collapses." Ultimately growth across Bangladesh is required so that millions of better off consumers purchase the country's harvests and thereby sustain incentive prices for her farmers and the crops they produce. Farmers can grow more food, if there is a market.

However that may be, policy decision by successive governments to relax and eliminate the monopoly control over agricultural inputs, particu-

larly irrigation equipment and fertiliser, has been a major factor in the quantum jump of production and productivity. Historically Bangladesh turned green in the monsoon rains, and again brown in the winter. With the proliferation of shallow-tubewells and low-lift pumps and other small surface irrigation channels, a stage for three crops a year has been set. Rural electrification has also helped in bringing down the cost of water. Further, liberalisation of the agricultural inputs market has resulted in an explosion of retailers and service-providers, employing well over a hundred thousand business people in the informal sector.

This good news, however, still leaves tens of millions of

A transition to an industrial and then an information society, is called for. But, for opening up employment opportunities for the rural unemployed and the youth, a few urban enterprises will not do. A domestic dynamic has to be created for small businesses and enterprises dispersed all over the country.

That is why, however paradoxical it may seem, agriculture remains so important for Bangladesh. If agriculture is stagnant then agriculturally based foreign exchange earnings will not grow. The examples are expanding export of frozen fish and as yet incipient potential of fresh and semi-processed vegetables and fruits. Likewise food will grow costly,

tailoring and dress making. Consequently both rural and urban businesses, particularly agri-business, will find their markets expanding.

The other almost fortuitous result of food first policy is that as most of these initial income increases go for resource poor farmers, food consumption increases disproportionately. "This is how growth and equity strategies are combined into one. The poorest have the highest 'growth-multiplier' for the domestic economy because they spend almost all of their income on basic foods." The key in the process of expanding income opportunities for the small farmers and the rural poor is access to cost reducing technologies, credit, incentive prices, better roads, market information and infrastructure. The benefits are multiple and sustainable across an economy.

Looking into the future is not a task for the faint-hearted, but look we must. The Bangladesh government, while savouring its successes, must accelerate the reform processes by unleashing the creativity of the rural poor themselves, the private sector and the non-government organisations. It must empower and endow people with their control over knowledge resources. Perhaps the successes of a production breakthrough can be used in strengthening the government's efforts at decentralising the political system. These efforts, hopefully, will result in rural institutional strengthening and in devolution of planning and resource control to local government for a range of productive enhancing economic and social programmes. Any responsive governance needs to be a shared one with local representative institutions and rural

administration as well as with market.

Perhaps, therein lies the key to a poverty alleviation strategy that could transform the safety net programme for the absolute poor into a sustainable human development one. That will require a strong local government and a renewed institutional capacity. The deepening challenge of broad based participatory democracy in Bangladesh is precisely the same.

Having said that, let me underscore once again that agricultural production is the key to further reductions in rural poverty. To quote Joe Stepanek, "No other production or welfare strategy can be as cost effective. No matter the uncertainty surrounding the future, or the costs of rural work, agricultural production is the only way to reach tens of millions of people, and help them across the poverty line. This 'line of defence' must be seen as primary; other strategies will always be of secondary importance for the numbers they can reach and for their cost."

The 'vision thing', in that context, is no doubt important. Equally important is to remember that "the prospect of disaster can be just around the next season's corner or up out of the Bay of Bengal." The challenge of all face is to sustain the creation of food, work and income. To do so, we must look at agriculture first. And that means, a change in our urban mindset about the farmers, tenants and agricultural labourers in the hinterland as the captive suppliers of surplus food and labour. We, the privileged few, all depend on them. If they prosper, we survive; if they trek the lonely path towards premature graves, we also perish. Mahatma Gandhi said it all when he said: "To a people hungry and idle, God can only appear in the form of food and work."



Do I Dare!
A Z M Obaidullah Khan

people below any acceptable poverty line. Because rural poverty in Bangladesh is so intimately linked with land-tenure, security of share-croppers and reasonable wage for agricultural labour need to be looked at as well. Much of the land is not tilled by owners and their families, but by tenants and hired labour. Security of tenancy, and the promise of a fair share of the crop produced can encourage share-croppers to invest in better seeds, water and other inputs. Evidence on trends in rear rural wage is encouraging.

Clearly, agriculture alone cannot absorb the expanding rural labour, many of whom today are un and underemployed,

demand will slow, investment will fall and the size of domestic market will remain modest if not stagnant.

Again, policies and investments to stimulate agricultural and rural growth will create growth in other sectors as well. New incomes created by a whole range of grains and high value crops do and will generate further demands for other goods like local fruits, vegetables, poultry, fish, dairy products as well as for manufactured goods like bicycles, motor cycles, radios and television sets. There will be increased demand for services such as agricultural implements, machine shops, processing enterprises for grains, vegetables and fruits,

Close Encounters of the Beautiful Kind...

First of all, as you might have already guessed, BPs are, to put it plainly, rich. Very rich. Not only are they unlikely to worry about freezing to death when a cold wave affects the country, but also they are unlikely to worry much about anything that affects the country. BPs do okay, no matter what happens to ordinary people.

Coming Home ...

Almas Zakiuddin



12 months of the year. They travel frequently, on work or for pleasure, always business or first class, never economy. BPs have approximately 2.5 children per couple, on average, whom they send to expensive local private schools, followed by expensive international universities.

BP children grow up to be typical BP adults, returning home to work with their successful BP fathers and proceeding, in the fullness of time, to enter into marriage with BP youngsters born of BP parents like themselves. Young BP couples proceed to emulate senior BPs at work and at play. As a result, the BP species continues to perpetuate itself without any problems.

"Oh my-gosh! You look great, how are you, where have you been?" gushes this female BP with manicured teeth and long brown hair which she flings across the back of her low-slung blouse as she pecks the air in front of me.

"Hello, nice to see you too, I reply. To no one in particular."

She's gone, you see. The female BP with the manicured

teeth is gushing at everyone else in the room as swiftly as she has just gushed at me. This I might explain, is a typical BP pastime: to gush. Gushing entails a peck in the air, a series of sweet sounding words and a huge bright fixed smile, delivered without batting a single BP eyelid. It is a sight to behold, particularly when discharged skillfully.

"Hey, where have you been, you look great, nice party, must talk more," gushes a male BP, a young professional, who plants a peck near my cheek. BP men, like BP women, never really commit themselves to a real kiss. When they do, it is usually a slobber about which, believe me, the less said the better.

I've been away, on holiday. I open my mouth to explain. Once again, to no one in particular.

My male BP has gushed at me and gone. I can see him gushing his way across the large gathering, eyes glazed, lips fixed in brilliant smile, hands clean and manicured. BPs are great looking people, there is no denying this. So good looking that they give others, less out-

standing in that department, a hard time.

"Hmm. Put on weight, haven't you?" says another female BP, smiling sweetly at me. She is reed-like, has gorgeous skin, not a blemish or a sag on her face. She gushes past, looking tauter by the second. I feel a fat attack coming on.

"Why haven't you been writing? Had a row with the Star?" exclaims another female BP, as she, too, pecks the air in front of me, and gushes rapidly past me.

"Nonsense! I don't believe a word they say about your writing! I like your style!" chirps yet another BP, this one of the male variety.

"You look great I agree with him I don't believe anything they say about you either..."

"Your pieces are fine don't let criticism bother you..."

"Good to see you, by the way why do you write about traffic all the time..."

"You look great I'm told you are fond of cricket right..."

I open my mouth to explain. Excuse me, will you listen to

me. Stop for a moment and listen. Please, I want to on this holiday, you see. I was away for three weeks, had a great time. Yes, I may have put on a few pounds. Yes, the Star Sports Desk wants to skin me alive. No, I haven't had a row with the Star. My piece appeared last week. Criticism doesn't bother me. I love cricket. Traffic affects me, too...

"You ought to try the shrimps," suggests a large-looking BP, an unusual member of the species in that he looks like Godzilla and walks as though he's just been circumcised. (He's filthy rich, I am told, that is why he qualifies)

"Excellent food!" Godzillas chirps, sending flying flurries of rice out of his mouth — some landing on my silk sari. Which is all I need, at that stage: A silk sari christened with flying rice flurries, to round off my entertaining evening.

And it has been entertaining. As I head home later that evening, I realise how fortunate I have been. I have had a glimpse of the BPs of Dhaka city. I have been entertained by them. BPs have pecked at me. BPs have spoken to me. BPs have smiled at me. BPs have even spit rice flurries at me. Beats me why I feel there ought to have been more.

OPINION

Global Impact of Impending European Single Currency

Dr F H Choudhury

First of January, year 2000. The end of second Christian Millennium and the beginning of European single currency as a single monetary unit for trade, commerce and personal transactions throughout the most of the continent of Europe. Eleven out of fifteen existing members of European Union with a population of about 180 millions have already agreed to enter into European monetary union and four countries — UK, Denmark, Norway and Sweden — have voluntarily opted out of EMU for the time-being.

EU is not only a very powerful economic zone, it is also an integrated political unit. Conceived in 1956, six founding countries were the forerunners of the European Common Market which subsequently became EEC and presently are known as EU, comprising a total of fifteen countries. This transformation has taken over four decades to evolve.

Union Expansion: During the current rotating UK presidency, enlargement of the Union in two phases has been envisaged — in the first phase, five new countries and in the second phase another six East European countries will be formally invited to join this exclusive club in the next decade, raising the total membership to twenty-one countries. Exclusion of Turkey from the membership, a close European ally, has been a matter of contention.

Integration: Political integration of the member countries has been the dream of the founding members — Germany, France and Benelux countries. Although some members, including the UK are pretty hostile to the concept of political integration as it will ultimately lead to monetary union and vice versa. The last conservative government of the UK got an opt out clause from EMU and the UK's entry into EMU will

only be subject to a referendum in the future.

EMU: EMU can only be achieved by adopting a single currency which will mean abolition of the existing national currencies like D Mark, French Franc, Peseta, Scuda etc which is an anathema to many patriotic citizens of some member countries.

Emerging Nations: In the current climate of global financial instability throughout South Eastern and Far Eastern countries including Japan, the centre of gravity of the emerging nations has temporarily shifted to the Middle Eastern and the Latin American countries like, Argentina, Brazil, Mexico, Israel, Egypt etc. Globalisation of the world economy and the powerful trading blocs of USA, Japan and emerging China and India have affected the post-war European leaders to forge a strong European identity in the form of the present day EU to assert their leadership on the global stage of politics and economics. Presently the large world economies are weary of the storm clouds of financial quakes affecting the Far Eastern markets for the second time in less than six months compelling the leading economies to tighten their belts to save their skin from the fallout of the economic disasters of South Asia.

IMF and the World Bank which are mainly sponsored by the financial assistance of the large industrial economies have come forward with substantial financial rescue packages for the faltering Asian economies. The role of the EU in this rescue effort cannot be underestimated. UK, given its reservation on the question of joining the single currency, many accept EU's progress in its enlargement and monetary union with equanimity.

To the Editor...

Save the cold-stricken people

Sir, Bangladesh is in the grip of a severe cold spell. Many people had died being unable to withstand it and a great number of people are passing their days in great misery.

Considering the present situation Prime Minister Sheikh Hasina has asked people to refrain from giving *iftar* parties. Instead help the distressed who are suffering in want of clothes and shelters. We welcome and appreciate her concern for the poor people.

We further hope and trust that the government will cut down the expenses which are usually made during Eid festivals, like *decorations*, *lighting*, *erecting gates*, *lining the streets with multi-colored flags* and so on. Money allotted for these purposes could be used to alleviate the sufferings of the multitude.

Nothing is more suitable than flowers to show respects and to express love. But flowers are very expensive, a wreath of flowers costs quite a lot of money. We know that every year a huge amount of money is being spent on it. Considering the present unusual circumstances in which people are dying from shivering cold, those who offer their respect with flowers should consider to spend it for clothes for the needy. I trust that martyrs will be happy with this action.

Nur Jahan
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Genocide in Algeria

Sir, It is unbelievable that the whole world, especially the Muslim world, is keeping virtually mum about what is going on in Algeria and that too in the name of Islam! The Islamic ex-

tremists have recently butchered hundreds in the most brutal manner. They have not spared even children not to speak of innocent men and women.

OIC should have unanimously condemned in unequivocal terms the wholesale genocide in the name of Islam, the religion of peace and fraternity. The western world which is otherwise very vocal about any human right violation seems to take it as nothing. This is sad indeed.

When will the world conscience rise against such outrageous crime against humanity? Is it not too big a failure on the part of all concerned?

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Harkin's Bill, quota and market economy

Sir, Following US Senator Tom Harkin's Child Labour Deterrent Bill in US Senate in 1992 our readymade garments industry and export of readymade garments have suffered tremendously.

We are happy that Tom Harkin has recently visited Bangladesh. We would like to request him to kindly enlighten the US authorities that despite the fact that Bangladesh has signed the MoU on eliminating child labour but countries like Brazil, Mexico and some other have not signed MoU, why is the US importing more quantities of readymade garments from those countries and why has the US imposed a quota system on import of readymade garments from Bangladesh?

We also fail to understand

that the US on the one hand is advocating market economy and free trade but on the other hand she is putting a restriction/quota on the import of readymade garments from Bangladesh? What is the reason or justification for such a policy?

We would request Tom Harkin and the US government to do away with the quota system on import of readymade garments from Bangladesh.

O H Kabir
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Spending spree in UP elections

Sir, Recently, I had been in my native district where I had opportunity to observe union parishad election campaigns. There was great enthusiasm among the voters and supporters. Everywhere there was neck to neck fight for both the candidacy of chairman and member.

What surprised me was the spending spree by the candidates to entertain the voters and canvassers. Spending several lakhs taka by a chairman candidate and 50 to 80 thousands were common.

In some cases, supporters of the candidates spent money on their behalf with the hope to get it back after successful return in the election. I tried to collect information as to how an elected candidate would get so much money which they were spending in the election. Everywhere I got the simple reply that it would not be a hard task to collect such amount. Once elected by implementing some projects under Food for Works, Gucha Grams, issuing certificates etc., they could earn a lot of money.

The election was held on block basis which has created a

sharp division amongst the supporters of different candidates as in a village it is very easy to identify them. This will ultimately lead to clash and disputes in each and every village/block.

The election of next tier Gram Parishad is going to be held soon. In this case, the elected UP members and chairmen will try to select or elect their own supporters which will create another division in opinion amongst the villagers. If things go like this, it will ultimately bring a complete disorder and discontent in rural areas of country instead of development.

M A Jalil
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Quality education in schools

Sir, It is said that the authority concerned does nothing to encourage genuine schools to run smoothly nor does anyone care to build up good schools so that they may be able to become well-known and famous ones. Unnecessary rush and wastage of money, energy and power are sure to ruin our society.

Just look at the way the so-called English medium schools are running. All claim that they are the best. They also have transports for the students. The Bangla medium schools do not have enough students nor any transport or the required number of talented teachers. Yet, we find quite a good number of lady teachers taking up this profession boldly.

To build a safe society the authorities concerned must do the needful and make the road clear of unnecessary blockades.

Jamilur Rahman,
Mohammadpur, Dhaka