

Annan's Visit to Baghdad Leaves US in Quandary

by Dr F H Chowdhury

What is sauce for the goose, should be the sauce for the gander.

Kofi Annan's visit to Iraq and subsequent signing of UN Secretary General's agreement with Saddam Hussein that the UNSCOM will have unfettered and unlimited access to all the presidential sites which in UN parlance have become suspect sites of Saddam's weapons of mass destruction of chemical and biological nature, has left the US more than the UK in a quandary. Their preparation for air attack and naval incursion still continues and massive ground troops concentrations have been sent to Kuwait ready to go into action on President Clinton's order. British SAS have been despatched to the area weeks ago in order to guide the air strikes to their precisions in the event of a war. President Clinton's ploy of diverting his people's attention from his domestic problems with a foreign policy score has not paid off on this occasion. Although Kofi Annan appears to have been in close touch with the five permanent members of the Security Council with the progress he was making in Baghdad, and was advised firmness in his negotiations with the Iraqi regime and Saddam Hussein, he assured them that he got all that was required of him. For the first time Saddam himself has agreed to the document allow-

ing the UN inspectors free and unfettered access to all the sites in Iraq that had become a point of contention and tied up with the question of Iraq's sovereignty. UNSCOM will be augmented by diplomats and the Secretary General has appointed Sri Lankan diplomat as head of the mission who will monitor the progress and report to the Secretary General and at the end of it all sanctions will be recommended to be lifted.

Already UN has increased Iraq's allowance of petrochemical sales from 2 to 5.2 billion US dollars twice a year to allow Iraq buy food and medicine and repair infrastructure etc.

Kofi Annan's return to UN HQ in triumph has upset the Clinton Administration and more so the Republican leaders in the Capitol Hill. They were of course not content with anything less than massive air strikes to humiliate Saddam and replace him by a regime who would do their bidding. Questions are also being asked if Kofi Annan had exceeded in his brief in signing the agreement which appears to have left many ambiguities. US Administration is asking for full clarification and they are prepared to launch the attack if they think that it is justified in the interest of their national security.

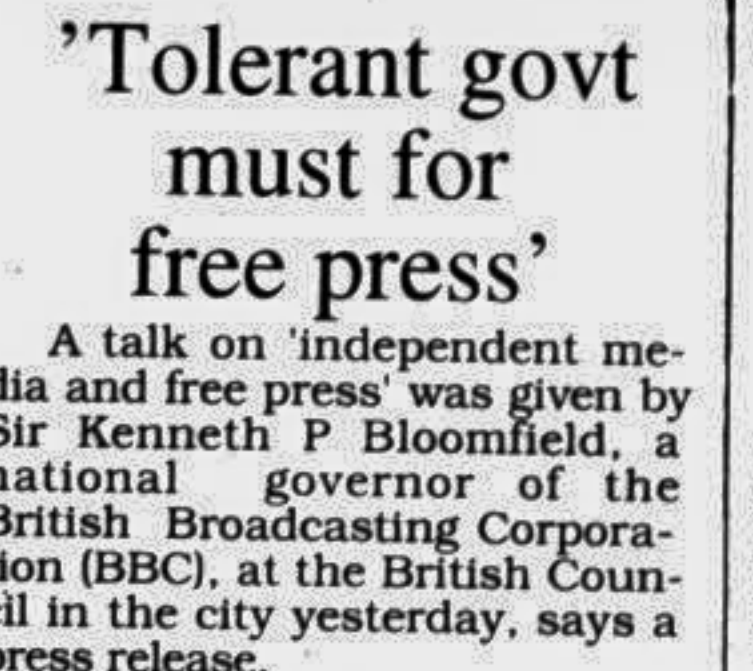
The neighbouring Arab States, however much they dislike Saddam and his regime, are most reluctant to see their Arab brethren be subjected to another massive US attack which would needlessly lead to civilian casualties. Qatar has spoken openly against it. Saudi Arabia and Bahrain did not agree to any attacks from their territories.

As during the last Gulf war Israel acted responsibly and did not appear to have inflamed the situation by irresponsible war mongering as it has been used in the past. Israel perhaps appreciates that once the Iraq problem is out of the way, the world would look at the Palestinian question more seriously and the British Prime Minister has already planned a visit to Israel and the Palestinian territories in April with a view to breaking the stalemate in the peace process.

Israel's intransigence in departing from the occupied territories of the West Bank and its insistence with settlements in these lands have vitiated the atmosphere between it and the Palestine authority. Oslo accord should be implemented and Israel should be made to abide by these international agreements and the UN resolutions which to date she has ignored. What is sauce for the goose, should be the sauce for the gander.



Tom and Jerry



Metropolitan

'Tolerant govt must for free press'

A talk on 'Independent media and free press' was given by Sir Kenneth P Bloomfield, a national governor of the British Broadcasting Corporation (BBC), at the British Council in the city yesterday, says a press release.

Bloomfield discussed the role of broadcasting in a democracy and described the structure, function and obligations of BBC. He opined that financial solvency and a tolerant government is must for a free press in any society. He described elaborately the organs of BBC TV and Radio and also the nature and characteristics of British newspapers.

The 40-minute talk was attended by professionals and top executives of both the print and electronic media of Bangladesh.

Among others, Syed Salahuddin Zaki, DG, BTV, Sheikh Abdul Salam, DG, PIB, Iqbal Sobhan Chowdhury, President, BFJ, Mahfuz Anwar, President, The Daily Star, Naveemul Islam Khan of BCDJ, Daud Khan Majlis and Tom Cowin, Director, The British Council, were present.

BPJA photo exhibition, competition

Bangladesh Photo Journalists' Association (BPJA) will organise a colour photography exhibition and a competition for the members of the association welcoming the Bangla New Year, says a press release.

The members of the Bogra, Khulna and Chittagong Photo Journalists' Association affiliated to the Bangladesh Photo Journalists' Association are eligible to take part in the exhibition and the competition.

All the members of the association willing to participate in the competition have been requested to submit 3R print of their photographs with negatives by March 15 and a separate size photo of the participants.

The photographs must be related with the culture, tradition and beauty of Bangladesh. No photographs already won prizes at any competition will be considered for the competition. Participating photo journalist can submit no more than five photographs for the competition.

'Country has bright prospect for lease financing cos'

By Staff Correspondent

A three-day international seminar on lease financing aimed at exploring the potential business avenues for the industry in the Asian region began in the city yesterday.

Some 150 lease financing company leaders are participating in the seminar, which will focus on ways of rebuilding South and South East Asian economies after the recent economic turmoil in the region.

M Aminul Islam, president of Asian Leasing Association (Asia Lease) and chairman of the Bangladesh Leasing and Finance Companies' Association (Bangla Lease), at a press conference in a city hotel yesterday said Bangladesh has bright prospect for lease financing companies.

83 LP gas cylinders seized in Khulna

KHULNA, Mar 3: Police today seized some 83 LP gas cylinders from different parts of the city for unauthorised storage and selling at high prices, reports UNB.

The cylinders were recovered in separate drives by a contingent of police led by Magistrate Ashraful Islam.

Weather

Day temperature may rise

Mainly dry weather with partly cloudy sky is likely to prevail over the country during the next 12 hours till 6 pm today, reports UNB.

According to the Met Office, no appreciable change in day temperature is expected over the country during the period. Slight rise in the day temperature is expected in the next two days, it added.

Country's highest temperature 30 degrees Celsius was recorded yesterday at Cox's Bazar, Dhaka and Jessore and the lowest 09.9 degrees Celsius at Srimongal.

The sun sets today at 6:03 pm and rises tomorrow at 6:17 am.

City/Town	Temperature in Celsius		Humidity in percentage	
	Max	Min	Morning	Evening
Dhaka	30.0	13.5	50	52
Chittagong	29.0	16.0	56	48
Rajshahi	29.3	11.4	67	50
Khulna	29.6	15.0	67	54
Barisal	29.0	14.0	74	62
Sylhet	29.5	13.0	67	53
Cox's Bazar	30.0	16.5	53	47

ONCE they have signed international agreements. Governments have a crucial role to play in achieving sustainable levels of production and consumption at home. They set national standards, create conditions conducive for attaining those standards and monitor implementation. Governments are increasingly using economic instruments to encourage business to make their activities more environmentally sustainable.

One method is to charge different tax rates on environmental "goods" and "bads". In Sweden, lower taxes on unleaded petrol encouraged drivers to stop using leaded fuel. Some countries have begun to charge for natural resources. Perhaps, the best known of these "user-pays" fees are water charges. Meters are installed in each home and the occupier pays for the water. Since consumption is directly linked to cost, it is hoped that those paying will use less. Some Governments are taking special action to avoid placing an extra burden on the poor, who will spend a larger percentage of their income on user fees than wealthier people.

Measures sometimes include providing an initial free allocation before the charges kick in and giving a rebate on personal income tax.

In an effort to discourage polluting behaviour, some countries charge people who pollute — whether drivers of private motor cars or big industrialists — the "full" environmental and social costs of their activities. Provided the "polluter-pays" charge is high enough and the polluter has alternatives available, the polluting activity is likely to be stopped.

Governments also use financial incentives to encourage businesses to adopt more eco-efficient behaviour by raising the "price of nature". Such incentives encourage behaviour that meets and better Government-mandated environmental standards by rewarding business for developing new ways to meet our needs. As an example, a United States tax on CFCs helped to encourage the development of non-ozone-depleting substitutes. A tax in Sweden on sulphurous diesel fuel led to the development of new, less polluting fuels.

Pollution from coal-fired power stations causes acid rain and damages soils, vegetation, water and buildings, often belonging to countries and people who do not directly benefit from the power station. Ensuring that the cost of producing and purchasing the power fully incorporates these "external" cost, should encourage owners to clean up their production

BAPA regrets incidents relating to Biman pilots

By Staff Correspondent

Bangladesh Airline Pilots' Association (BAPA) regretted the recent incidents relating to the Biman's pilots, says a press release.

"All the pilots are working very diligently to keep up the schedule and safety of operation of Biman Bangladesh Airlines", the press release of the BAPA said.

Refuting the newspaper reports regarding the pilots, BAPA vowed to continue to strive for the development of the airline as well as improving the safety and comfort of Biman passengers.

Tofael Ahmed nominated for 'Shilu Abed Award'

Tofael Ahmed, a renowned educationist and writer, has been nominated for the 'Shilu Abed Karushilpa Award '98' for his outstanding contribution in research and promotion of crafts, says a press release.

The decision was taken by a panel of judges at a meeting held at BRAC Centre in the city yesterday.

Tofael Ahmed is an eminent researcher of the cultural heritage of the country. He has painstakingly documented and portrayed the variety, richness and evolution of folk art and crafts of Bangladesh.

The award-giving ceremony will be held tomorrow at 4 pm at the auditorium of BRAC Centre, Mohakhali.

AGM, polls of CCHRB held

By Staff Correspondent

Akram Hossain Chowdhury and Asma Akter Mukta were elected president and general secretary respectively of the Coordinating Council for Human Rights in Bangladesh (CCHRB) for next two years, says a press release.

The election was held on February 28 at the annual general meeting of the CCHRB.

The other office-bearers elected are - Vice Presidents - A H M Nouman, Anisur Rahman, Masuda Farouk Ratna, M R Mahubub, Harun-Ur-Rashid, Treasurer - Sharif A Kafi. The executive members elected are - Osman Ghoni, Khairuzaman Kamal, Asma Banu, advocate Nazrul Islam, Babul Adhikary, Abdul Manan Bhasani and Saiful Islam Dildar.

Civilization Under Siege Environmental 'Goods' and 'Bads'

Taxes on fossil fuels are likely to encourage business to find ways to use less fuel by becoming more efficient and wasting less. CO2 emissions will decline. Such taxes are not always popular. An attempt by the United States President in 1994 to charge a fuel tax amounting to five cents per unit (BTU) used failed, and the effort to introduce a carbon energy tax in the European Union, first proposed in 1992, has not been successful. Energy taxes have more chance of being accepted as part of a package of "green taxes reforms", where taxes on "bad" activities, such as pollution, replace taxes on "good" activities, such as labour. Public information campaigns can play a large role in getting these changes accepted.

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main trading partners — other European countries, the United States, Canada and Japan — make similar changes in their tax codes.

A major reason to use taxes as an incentive for meeting environmental goals is to ensure that the cost — to both the producer and the consumer of environmentally damaging goods — is not cheaper than goods and services made in ways that are environmentally sound, producers would thus gain nothing

subsidies given to support farming have led to an increase in the use of fertilizers, pesticides and herbicides; extended agriculture onto land unsuited for cultivation; and caused environmental degradation.

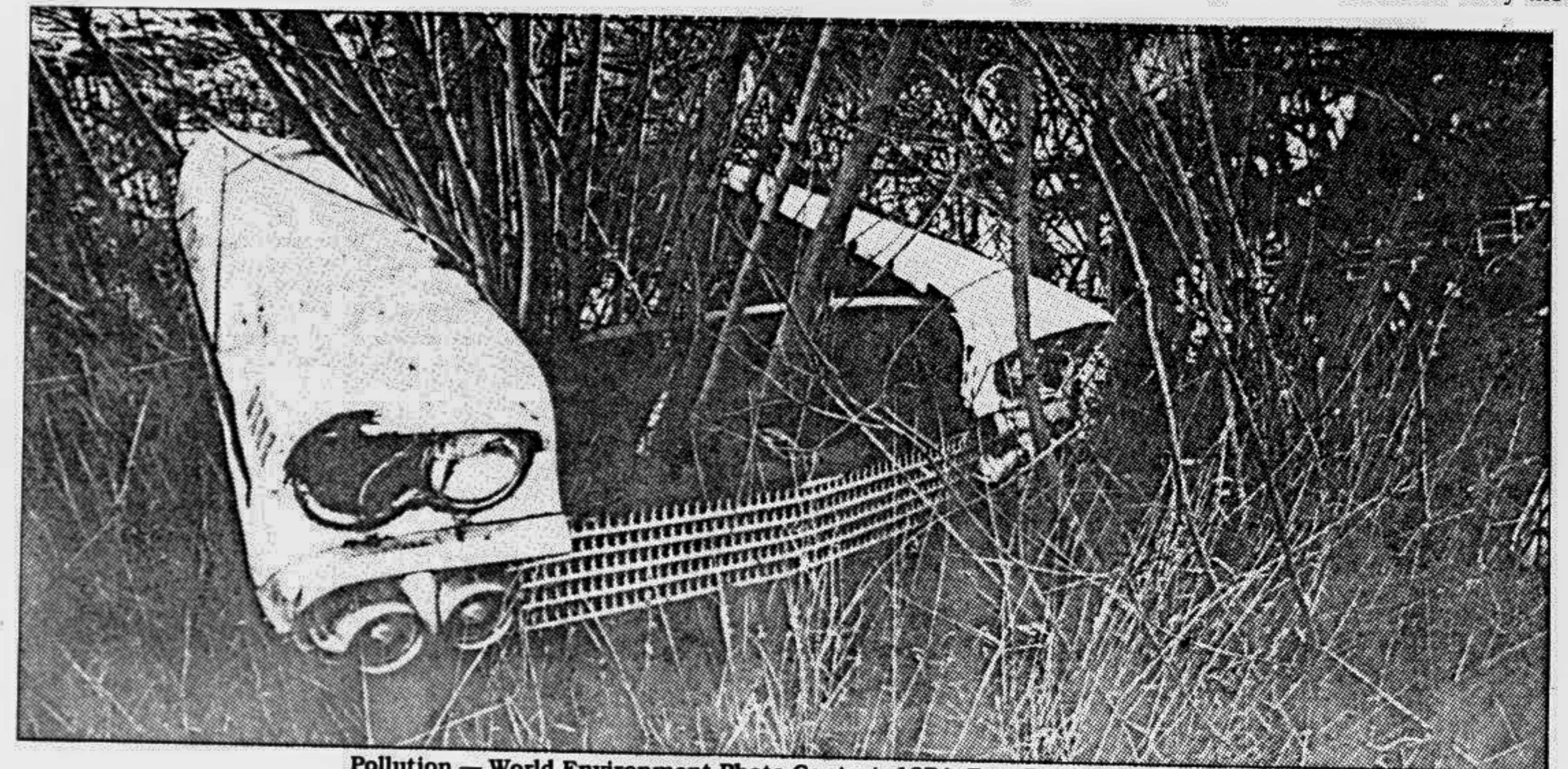
Subsidies can also be used to encourage environmentally positive behaviour. Forests enrich those who own and plant the trees, but they also provide benefits to the larger society.

They absorb greenhouse gases and prevent global warm-

tainable managed forests. It also intends to improve the environmental impact of other products, such as paint, solvents and brass doorknobs.

Voluntary schemes, run by Governments or independent organizations in some 20 countries, award a seal of approval — an "eco-label" — to products that meet environmental criteria throughout their life cycle. Eco-labels help consumers deal with an often bewildering array of environmental claims from manufacturers. So far, most schemes are in developed countries such as Australia, Canada, Japan and the United States, but some also operate in Brazil, India, Indonesia and Malaysia.

In 1989, the White Swan label was launched by Finland, Iceland, Norway and Sweden. It now includes over 1,000 products in 40 categories and is recognized by 90 per cent of consumers in those countries. Some 75 per cent of all detergents sold there now carry the



Pollution — World Environment Photo Contest, 1974, Tom Ferrington, USA

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Incentive taxes have worked in Denmark, Sweden and the Netherlands. The last in 1996, converted 3 per cent of its income tax to an energy tax. The carbon tax will increase over the next two years and income taxes will continue to decline. Overall, taxes remain unchanged. In 1994, Denmark introduced a comprehensive package of ecological tax reforms which taxes a range of environmentally harmful activities, including SO2 and CO2 emissions, waste water and landfill wastes, and lowers social security (labour) taxes. Denmark estimates that some 2,000 new jobs will be created by the year 2000 as a result of the tax shift.

In 1991, Sweden began taxing energy use, including the energy component of domestic air traffic, as part of a reform package which lowered income taxes.

Its reports that CO2 emissions fell by almost 4 per cent between 1991 and 1993. Norway too has imposed several taxes on energy consumption. These countries would like to see their

from producing environmental "bads", and consumers would not be subsidizing activities which degrade the environment by paying more to buy "green" products.

The United States transport sector alone receives some \$300 billion in subsidies each year. If the external costs of driving were also included, the total subsidy would be close to \$700 billion. Right now motorists in America pay less for gasoline than for bottled water; if the full cost of driving-related pollution, which is admittedly difficult to calculate, were included in the price paid at the pump, gas would cost at least six times as much as it does now. Europeans would pay twice as much. If these subsidies were removed, motorists would be faced with paying the "full cost" of their decision to own and drive a car. This can be done if people are given an alternative mode of transportation. Money saved in subsidies could be used to build and rehabilitate public transport, such as city rail, subways, buses, computer trains and networks of long-distance railways that use clean-burning energy and are attractive and convenient to use.

Frequently, subsidies intended to encourage one type of behaviour have a different, negative, result. In Europe and the United States, agricultural

ing; retain rainfall; bind and maintain the soil; and provide natural habitats for other species. They are also places of great beauty enjoyed by people who visit and by many others who simply know about them. Subsidies, such as the Netherlands Forestry Credits programme, encourage forest conservation and the planting of new trees.

Financial incentives — taxes and revenues — can be effective in helping to reach environmental goals if they are made part of comprehensive policy packages. Such packages should be carefully implemented following extensive consultations, after everyone involved has been fully informed.

Widespread concern for the environment has given rise to "green-conscious" consumers and to companies hoping to capitalize on those concerns. By changing our buying habits, consumers can pressure manufacturers to change their behaviour. After customers increasingly asked for green products, B&Q, the largest home improvement retailer in Europe decided to take responsibility for the environmental standards of its more than 40,000 products, rather than leaving it to consumer choice. B&Q worked with an independent forest certification body to ensure that all its timber supplies are produced from sus-

White Swan labels which has led to a significant drop in the emissions of environmentally destructive chemicals.

Modern economics assumes 'that higher incomes mean higher standards of living. There are signs, however, that at a certain point the cost of creating more wealth begins to reduce the quality of life. Many believe that people in the North may well have reached that point.'

Traditional indicators of national well-being, the gross domestic product (GDP), measures such as tangible economic activities, such as material turnover. Environmental degradation is viewed as a contribution to GDP because of the economic activities it generates. The Stockholm-based Index of Sustainable Economic Welfare (ISEW), which measures key factors like education, housing income spread, street safety, crime, health and the state of the environment, views pollution as a negative. In the United States, the United Kingdom and other OECD countries, the correlation between GDP and the ISEW broke down in the mid-1970s, which perhaps helps to explain why, at a time when statistics show the United States economy growing vigorously, most Americans feel they are running harder just to stay in place or even slipping backwards.

(UNIC Dhaka)

Banking for the Poor: NGO Intervention

by Md Enamul Haque

NGOs' intervention with credit programmes has been distinctly positive and has strengthened the capacity of the poor. Microfinance institutions can help poor households smoothen their consumption flows, build assets, increase working capital, save significant amounts, and expand their income generation activities.

FROM the beginning of the modern world financial banking services have been especially designed for the rich.

Very recently the concept of banking with the poor has been emerging all over the world, specially Third World countries. To address poverty alleviation, very recently a Micro-credit Summit was held on 2-4 February, 1997 in Washington, DC. From this summit the world leaders including planners, representatives of NGOs, IMF, World Bank, ADB set the goal to reduce poverty reaching 100 million families by 2005. And recently the forth Asia-Pacific Workshop on 'banking with the poor' was held on 3-7 November, 1997 in Bangkok with initiative and finance of the World Bank and others. One of the specialised initiatives was — implementing poverty reduction programmes through micro-credit. In the Asia and Pacific region Grameen Bank with the biggest coverage and ASA with the fastest practitioners are successfully serving their poor clients. Their experience proves that collateral is not necessary to secure loan repayment. Mutual understanding, trust, collective responsibility and unity among themselves is the best collateral. Poor borrowers are efficiently capable of proper utilization of micro-credit funds and they have the capacity, skill and knowledge to implement income generation programmes. They are very serious and timely about repaying loan instalments.

The poverty situation in the Asia Pacific region is worsening. More than 550 million

people live below the poverty line in this region. Bangladesh ranks low among the Third World countries in terms of human development measured by basic indicators such as literacy, employment, health and nutrition, etc. About 50 per cent of its population live below the poverty line. To overcome and pursue eradication of poverty of the aforesaid numbers, the number of NGOs in the microfinance sectors have been increasing over time. However, significant demand still remains. Today about 1000 big and small NGOs are engaged in microfinance to alleviate poverty. Credit is a financial tool for empowering the poor. The poor face restrictions to formal money markets in Bangladesh, which are only open to the rich. Poor, powerless and assetless people are unable to provide collateral as loan security and sometimes face undue demands from bank employees. On the other hand, the highly complex formal

market has forced the poor to almost solely depend on a different form of informal money market.

However, Bangladesh is leading the world in poverty reduction through micro-credit intervention and other social services. Association For Social Advancement (ASA) is one of the innovative intermediaries in the micro-credit field. It started its credit programmes very late, but is growing faster than many other MFIs. There are various reasons behind this. ASA is now working in 61 districts, 350 thanas, with 12 lakh members, with a total of 9,000 million Taka disbursed among them. The rate of recovery is higher than 99 per cent. At present, an average of 20 operational unit offices (branches) are opened and about 30000 new borrowers join in every month. Major innovations of the Association in the field of micro-credit include financial sustainability within a very short time, easy and sound

accounting system, decentralised decision-making with a well-written manual, low administrative structure, multi-layered monitoring and supervision, high rates of recovery, priorities to women borrowers, young, committed staff of impeccable character. Furthermore, the Association emphasises on-the-job practical training, flexibility in policy making, it has some of the highest fund revolving rates, introduced life-insurance and scheme insurance, savings withdrawal is allowed for the savers while there is savings scope for the Association members. In addition, a high percentage of funds are raised from local sources, credit is provided for graduate and entrepreneurial borrowers when there is plenty of scope for promotion with good performance.

NGOs' intervention with credit programmes has been distinctly positive and has strengthened the capacity of the poor. Microfinance institutions can help poor households smoothen their consumption flows, build assets, increase working capital, save significant amounts, and expand their income generation activities.

NGOs' credit delivery mechanisms have led them to a noteworthy and remarkable entry into the field of banking with the poor. Learning from MFIs' traditional banking system, commercial banks can re-organise and reform their present style of operations to help raise the standard of living for the poor who are the absolute majority in this country.

The writer is project coordinator of ASA and also acting vice-chairman of CDF.



Utilising an ASA micro-credit