

Professor Yunus on Economics

The purpose of this article is to dispassionately analyse some of the most important points that have been raised by Professor Yunus and make some observations along the way on what Dr. Mahfuzur Rahman has said.

PROFESSOR Muhammad Yunus delivered a paper under a captivating title, 'Towards a Poverty-Free World', in the recently-held conference in Dhaka organized jointly by Bangladesh Economic Association and International Economic Association...



INSIGHT by Kabir U Ahmad

Issues Raised by Professor Yunus Professor Yunus has raised quite a number of issues but I shall confine only to five important ones. Economics is responsible for most of the ills of the present-day world especially its widespread poverty...

Economics and the World's Ills Does 'economics create the world we live in and its ills' by creating mindsets? The right answer is that, no doubt, there are some influences of economics in the world that we live in...

What are four points that should be noted: a) What do economics text-books (good quality ones) teach? b) how are the economic theories developed? c) how much of the teachings of economics is applied in the real world? and d) who rules the world that we live in and with what rules?

Good modern (i.e., Neo-classical economics) text-books teach how to allocate the society's available resources most efficiently so that maximum amount of output can be produced...

A student who goes to learn economics from a good university also learns that there are political, institutional, (both inherited and newly-created, technological as well as vested interests type) rigidities in each of these areas...

Good university teachers teach how to introduce flexibilities in the analytical models to remove such rigidities but are practically impossible to implement them since politicians, bureaucrats, business leaders and trade union leaders who have one foot in the semi-feudal land system...

However, economic analysts also understand that there are some vital hidden factors behind the success of the operation of the simple market process, not only optimization models. All economists starting from Aristotle onwards to Adam Smith, David Ricardo, Stuart Mill and modern Neo-classicists have emphasized on these factors...

In such a state of a society, trying to reduce poverty by applying the efficiency rules of optimization models in all sectors of the economy would be like singing classical songs in the gathering of some murder-film lovers...

Gas Bidding and BAPEX

Finally we have a clear statement as to how the government is planning to settle the second round of block bidding on our gas fields. Prime Minister Sheikh Hasina said on Wednesday: 'We want to accommodate all major oil companies so that none is left out of the bidding.'

We believe that foreign investment in the energy sector would benefit Bangladesh tremendously if the contracts are signed with utmost care, and they are properly monitored. But we also believe that there cannot be any substitute to having our own exploration wing do our work.

A Very Grave Crime

In a war situation people know they have to be watchful. But in Mirpur and Shantinagar areas people never knew they were indeed drinking water polluted by human excreta and other sewage and had no reason to be suspicious.

The criminal part in this inordinately irresponsible business lay in DCC and WASA's knowing that this was happening and even then issuing no warning to the people. This leads to the fear that may be some other areas are also having this problem.

We are gratified to know that action is already being taken to stop the present problems as well as to effect changes in the laying of sewers and drinking water pipes. But this is not enough.

A failure of a very grave nature has taken place. Some persons, some quarters must be responsible for this. Water mains can develop leaks. But allowing these to take in sewage, something that shouldn't have been in any close proximity, and continuing with the piping of this stuff for months to unsuspecting and unprepared consumers — is a serious crime.

Tampered piped water is the surest way to kill a city's entire population, more effectively than even an atomic bomb. We simply cannot afford any loose performance or mistakes in the water supply system.

BOI's Problem

Something is wrong with Board of Investment's (BOI's) initiatives to project Bangladesh as an attractive investment destination. The much touted one stop service is a case in point. Almost three months have gone since its installment January last, yet the reality seems a long way off from the aired great expectations.

There is no denying one stop service is essential to wo investors. Unless we can guarantee the basic infrastructural facilities like gas, power and telephone in the shortest possible time, there is no point crying over investors' apathy.

And it is no small work to have an efficient one stop service in place. It calls for massive inter-ministerial and inter-agency coordination. More so in a country like ours notorious for its bureaucratic tardiness and corruption.

Dhaka: A Care-lorn City

by Chandra Shekhar Das

The city mayor had promised to arrest the deterioration of law and order before election. Now at the fag end of his term he says he cannot do that without cooperation from the law enforcers. We always knew that. But who will deliver the goods and when?

A visual on the front page of Saturday's Daily Star particularised a general aspect of the metropolitan Dhaka with telling vividness: a rickshaw in the foreground with all three of its riders — the puller and the passengers — putting their palms across their noses.

What is most frustrating for the tax paying citizen is the apparent smugness of the authorities. They seem to be oblivious of the fact that Dhaka is probably the most unplanned city in the world, requiring an over-time of idea and effort to accommodate a spiralling population.

Not only reeking waste, Dhaka's denizens are afflicted with crunch and disorder in all sectors of civic amenities. You name it, Dhaka was not disappointed. Like power short supply of water, efforts in this field have also been awfully faulty and paltry.

South Asia and Bill Richardson's Visit

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THE US Ambassador to the UN Bill Richardson has just completed a swing of the South Asian countries. His 10-day trip has taken him to Bangladesh, India, Pakistan, Afghanistan and Sri Lanka along with some other countries.

Certainly, he is very much in the high-power delegation that Mr. Richardson heads and Mr. Inderfurth is scheduled to stay back in Colombo after the US Ambassador to the UN flies to another destination completing his discussions in the South Asia.

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Mr. Richardson is no stranger here while he is widely acknowledged as the trouble-shooter of the Clinton administration. He has been earlier in global trouble spots as the main negotiator from the US and whatever be the outcome of his missions to all those places — one thing is certain that all were important and also difficult exercises.

For Bangladesh, the visit was of immense importance for the simple reason that for many years an official of the America of Minister's status has not visited this country.

However, Ms. Albright said she would look for an early opportunity to come to Bangladesh which she missed due to Middle East imbroglio at that time.

To the Editor...

Outrageous behaviour

Sir, I was deeply shocked to see the way the BNP behaved with the Speaker. The Speaker was giving time to the MP who was supposed to speak at that moment; but the BNP could not tolerate this.

Where Are We going?

Sir, I have attentively read your editorial 'Where are we going?' published in The Daily Star of 16th March, and tried to form in my mind the reasons of our present deplorable law and order situation.

much earlier and he was originally schedule to visit in early 1998 but the political uncertainty in India — one of the countries he was to visit — compelled him to call it off and wait for later in the year.

But undoubtedly, he had talks on more difficult matters in all other capitals in this region. India and Pakistan are a constant source of concern for Washington for the obvious reason that the two traditionally arch-enemies have now thrown their hats in the ring of a nuclear weapon race in a more pronounced manner...

Although both say that they are against war and pursue only peaceful use of the nuclear capability, yet such a possibility cannot be totally ruled out given their belligerent relationship that has seen three wars — of which two over 'Kashmir' issue that remains the main of contention.

Mr. Richardson had a tough time in discussing issues in Afghanistan where he was the most senior western official since the former Soviet Union's invasion of the country in 1979. He held close-door talks with Taliban leaders like Mullah Muhammad Rabbani in Kabul and then flew to opposition-held town Shiberan to meet ethnic-Uzbek and former communist warlord Abdul Rashid Dostam.

In Colombo, the visit is seen as a reflection of the American support for President Chandrika Kumaratunga's fight against the separatist Tamils who remain the major headache for the government despite a series of recent successes in the battlefronts and hideouts.

Mr. Richardson's agenda during the South Asian trip was heavy with contentions and vexed issues along with innocuous subjects like greater bilateral cooperation and also cooperation among the countries of the region.

Power generation

Sir, The media were vocal about a year-and-half ago with the allegation that the last BNP government failed miserably to increase our power generation capacity by even an iota.

Unless the old adage 'Everybody is equal in the eye of law' is adhered to strictly the situation will get worse day by day. I am sure the readers must be remembering that in the Ershad era students took out procession for the right to copy in the exam; because they knew that the head of the state himself was corrupt.



MATTERS AROUND US Zaglul Ahmed Chowdhury