

Godspeed Eastern Dam

The Prime Minister has hit it on the head. And the iron is red hot now. She has made a promise to round off the Dhaka Protection Dam by extending it to cover 50-km of the city's eastern rim between Tongi and Demra and putting both road and rail tracks on the thing as well.

The government and ruling party must be knowing about the open expressions of gratitude to Ershad, who had been unseated as an autocrat in a popular movement, for the protection dam he threw on the city's western rim. This is universally held as having saved all of the dry parts of Dhaka west of the Airport Road. Most of Dhaka city went under water because of the absence of a similar and continuing dam on the eastern rim. The Prime Minister's pledge comes as an acceptance that it was indeed so.

We have always talked of the unfinished dam and its danger. Now the dam will be reality and the danger gone, if the promise is kept in time. The completion of the Bangabandhu Jamuna Bridge in record time and with minimal cost overrun makes us confident that if the PM puts her mind into it and entrusts it to right persons, Dhaka can be saved during the next cyclical catastrophe.

The narrow bridge and circular train on the dam can only endear the plan to foreign funds people. For this would have a signal good effect on Dhaka's impossible traffic congestion. Can we throw in our own gift of an idea? The Buckland Bund will be gone. Please make it up by miles and miles of it on the riverfront openings to the dam. Dhaka doesn't have either a proper strand or quayside, not to speak of a usable cherishable promenade. Let us have them all.

This tall promise can be a reality at a huge cost and the garnering of resource must begin in good time for it.

Godspeed to the implementation. And, in the meanwhile, let's do all we can to repair the damages of the existing dykes and brace up to the compelling task of their continuing, long-term maintenance.

Arsenic Detection Problem

If accurate information is of any significance in a combative situation then our battle against arsenic contamination is not going anywhere. As a Star report informed at the stroke of this weekend, our detection system is poorly equipped and susceptible to serious errors. There is reportedly no standard arsenic detection kit in the country at the moment, a fact that is impeding the process of data collection. Different organisations are using differing types of field kits to measure the level of arsenic concentration in ground water. Naturally what is emerging now is a set of disparate and scientifically unreliable information upon which no sound inference can be made. The data are not dissimilar because of variation in arsenic concentration in the water samples. They are different because the levels of detection ability of the kits in use are varied. All the five field kits now being used have different measuring ability. If the lowest limit of the Japanese AAN kit is 0.02 mg/L, the corresponding mark in the German E-Merck kit is 0.10 mg/L. What is worse, none of the kits is capable of detecting arsenic concentration of 0.01mg/L, the WHO stipulated acceptable level of arsenic concentration in drinking water.

This is a very unfortunate and late discovery which tends to betray authorities' sincerity in redeeming the situation. The government was woefully slow in realising and acknowledging the magnitude of arsenic problem to begin with. In fact, were it not for the pioneering work of some members of Dhaka Community Hospital and Jadavpur University of India, one wonders at what level of ignorance our consciousness of arsenic as a health hazard would have been even at this stage.

But now that the government has launched itself in the battle against this silent but expansive health scourge, this type of fundamental problem should not have arisen. Ideally the government should have ensured the use of standard field kits. We are afraid unless the detection system is made fool-proof immediately the action plan to fight arsenic may lose in efficacy. The government should address the issue right now and select a standard field kit for arsenic detection sooner than later.

Dark Sense of Humour

The Myanmar military authorities in their latest swoop on pro-democracy activism of the NLD, inspired by a virtually interned but indomitably Aung San Suu Kyi, are being manifestly wily in their methods. They are picking up their opponents in hundreds and putting them in military guest houses with an explanatory note, issued to 'whom it may concern' that they were not being 'arrested'. Rather they have been 'invited' to exchange views with the junta leaders on their demand for convening the parliament elected as far back as in 1990. The NLD had won 82 per cent of the seats in that assembly, a popular verdict the military moved in no time to overturn by an outright seizure of power.

The courtesy perfidy has been exposed by the implacable opponent of the military regime who say that some of their colleagues were taken away in handcuffs with hoods put over their heads by squads assigned to interrogate them.

The political icon Suu Kyi's rights to movement and free speech have been repeatedly trampled upon in a daring disrespect to world opinion, and the state-run newspapers are carrying out a smear campaign against her with a bottomline suggesting she be deported from her homeland.

International pressure on the Myanmar regime has not yet taken any concrete compelling shape, what with the highly sympathetic press Suu Kyi has got giving her the glory of a legend in her lifetime. A country which has been ruled by the military since 1962 and reared in the backwaters of chosen isolations, may be slow to wake up, but once it does, there will be no stopping its tryst with democracy and liberalism. Let the writing on the wall be read by those who persist in taking detours.

Got the Worst; Give the Best

To face the worst ever national catastrophe, we need to be gifted with a best ever governance or management from government's side. The government, in turn, needs to be presented with the best ever co-operation from all sides...

tend to suggest, we lost about one-fourth of our annual GDP within the last 70 days or so on account of the unprecedented flood. This is the financial side of the problem. The flood imposed immense cost in terms of loss of real resources, human lives — an account of which is yet to be worked out.

So, sufferings all around know no bounds. Admittedly, we faced it bravely so far. The government, opposition parties, NGOs, defense forces, teachers and students, socio-cultural organizations — all were on their feet to face the fury of flood. United we stood and united we fought the flood. That is good news.

But it is said that when water recedes, misery compounds. The question is what to do next or how to avert the upcoming acute problems? The most critical phase of the whole episode of crisis is knocking at the doors. This is the time when diseases break out, children and women need special care, farmers need cash to prepare for cultivation, industries require working capital to start working, the distressed need relief to relieve hunger. More importantly, the poor people need some purchasing power to buy food from the market.

On top of everything, the supply of foodgrains in the market assumes the most important consideration. It is rightly argued that the upcoming three months would pose the most serious problem in

terms of food availability. A mere miscalculation or under-estimation of the gravity of the crisis could cause havoc. Theoretically, a deficit to the tune of 40 lakh MT should contribute to a famine or near famine situation, other things not remaining right. But available reports from the government as well as other sources about the likely procurement from home and abroad should clear the smoke, if there is any. Reportedly, stocks of foodgrains at

found hard to grapple with.

Problems might also crop up in case of distribution of foodgrains to the needy. This is a very genuine concern — and is growingly gaining wide currency at all levels. To avert such crisis, the government should rise above all political considerations to get the culprits by their neck. Serious punishments should await those who dare to deal in the miseries of people. Bureaucratic dilly-dallying should be faced with iron

forthwith to transfer at least some income to the rural poor. There should be provisions for more of VGF cards for remote areas.

Agricultural extension workers would do well by advising farmers to go for short-duration rabi crops and thus ensuring maximum utilization of agricultural land. And to reap home a good boro harvest from the upcoming boro season, necessary arrangements should be afoot just from now, to ensure proper availability of inputs at appropriate prices to the farmers. The government and NGOs should see that post-flood agricultural loans to the tune of Tk 3200 crores duly reach the needy. It should be mentioned here that there could be more demand for credits from various other corners. An expansion of credit line — especially the term loans — might contribute to the inflationary spiral. However, government could think of providing working capital to those who actually need them.

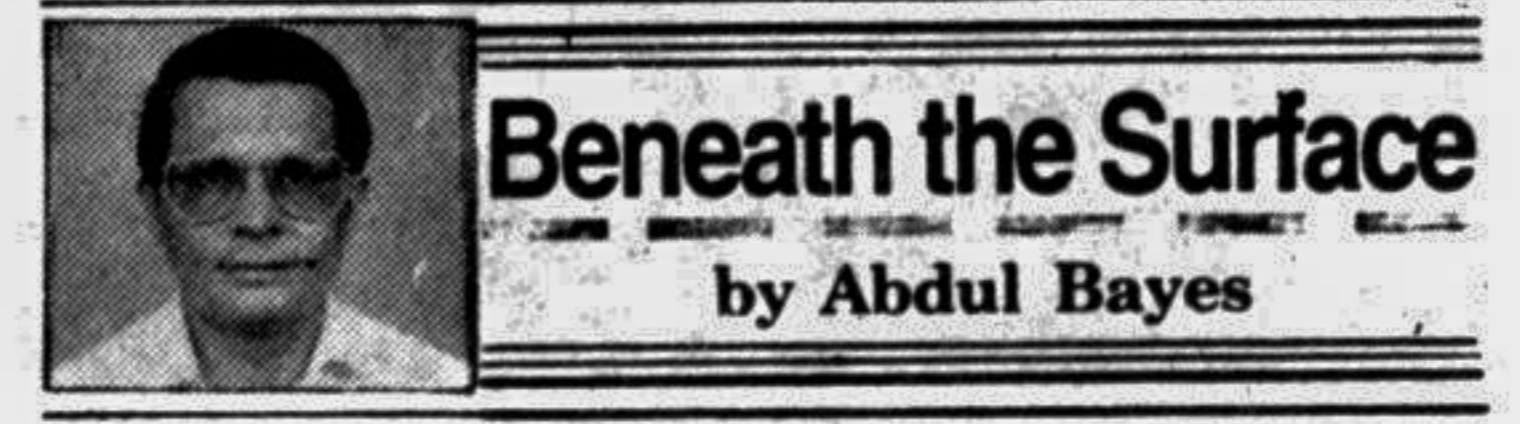
The PM's clarion call for austerity is well timed and should be well taken by all. But as charity begins at home, so is austerity to begin from public sector. We repeat our appeal to the government that it should contain its revenue expenditure to the lowest level possible. This implies that there should be a moratorium for ceremonial displays — be it seminar or public meeting — entertainment allowances should be drasti-

cally reduced and foreign trips at nation's cost should be discouraged. All government or semi-government institutions/bodies should be instructed to economise on the use of respective revenue budget.

The people of this country, in general, should share austerity. We cannot play flute when Rome is burning. We can contribute to the mitigation of the miseries through our efforts at saving some pennies from our day to day expenditure. This would require curtailment of unnecessary expenses that we are accustomed to bear with. As small drops of water can make an ocean, so is our earnest endeavour at austerity that could make million.

By and large, to face the worst ever national catastrophe, we need to be gifted with a best ever governance or management from government's side. The government, in turn, needs to be presented with the best ever co-operation from all sides; politicians, NGOs, socio-cultural organizations etc. The climate of time is for the best, not even for the better. Let the crisis lead to the creation of an opportunity where, as it happened during the time of liberation war, we fight a common war; mitigation of miseries of the people. Needless to mention here that much of the hope would hinge on our politicians — both in government and in opposition — who can bail out the nation by burying divisive politics and sinking differences at this crucial hour of the nation.

We got the worst from the flood. Now let us give the best from ourselves to overcome the distress impinged by the deluge.



Beneath the Surface

by Abdul Bayes

government godowns (about 7 lakh MT), purchase by the government from the international market (10 lakh MT), anticipated donors' contribution (13 lakh MT) and private imports (7-8 lakh MT) — all together should take care of the supply crisis. But at the same time, other things should also remain right. As one can visualize, some of these things are: timely arrival of foodgrains at port points, release from ports without loss of time and quick transportation to targeted places. This would demand a wartime like management of things but given a political commitment, should not be

hand. Local level governments and NGOs should be allowed to work hand in hand throughout the distribution network.

Assuming that the supply constraint is eased at the market level, lack of purchasing power among the poor people might constrain the supply at household level. People would then starve in abundance! To help transfer income to the needy immediately after the floodwater recedes — food for works programmes need to be intensified. This year, especially, the coverage should be much higher than in the past. Maintenance works of rural infrastructure should start

Global Financial Chaos and Exchange Controls

Countries throughout the East and Southeast Asian region are experiencing a slowing down in economic activity. Economic recession is spreading throughout the entire area. The Indian subcontinent is also not immune from the catastrophe.

WHAT started in the middle of last year as a regional financial crisis in East and Southeast Asia has now developed into a global financial chaos. Japan is in the midst of a severe recession. Failure to solve the country's banking crisis and restructure the banking sector may lead to a further decline in the value of yen. This could eventually trigger a devaluation of the Chinese currency. The Russian ruble is also in a serious economic crisis and any further decline in the value of rouble could lead to contagion to Eastern Europe with their currency and financial markets being affected. A crisis in Eastern Europe would definitely affect Western Europe where the current economic recovery is quite slow.

The Russian economic crisis has already led to contagion to Latin America, especially, Brazil, Argentina, Ecuador, and Venezuela. Their currencies are under pressure and stock markets throughout the region are significantly down. The decline in the prices of oil, copper, and agricultural products in the international market are also hurting commodity exporters globally. Even the developed countries have not been spared. The de-

cline in commodity prices has led to currency devaluations in Canada, Australia and New Zealand. Given their close trade links with East Asia, Australia and New Zealand are already in the grip of a recession.

Despite strong economic fundamentals in the United States, the worldwide financial chaos will definitely lead to a growth slowdown in the economy.

Given the grim picture painted in the earlier paragraphs, the question is: what can the countries do to stop the downward spiral. In this article, I would like to concentrate especially on the original crisis countries in Asia — Indonesia, Korea, Malaysia, the Philippines and Thailand.

Last June, in an article on this page, I had proposed that the Asian countries affected by the currency crisis should temporarily suspend free convertibility of their currency and impose controls on all capital flows (DS, June 28th). In a series of articles published during the last few weeks, Paul Krugman at MIT has also made a similar suggestion. The drastic measure, however unconventional, seems to be the only way out after traditional steps suggested by the IMF and the US Treasury Department failed to control the financial meltdown.

Mahathir Mohammed in Malaysia, in announcing new measures earlier this month aimed at fixing the country's ailing economy, has finally done that. His country will no longer allow its currency, ringgit, to trade outside its borders. Foreign investments must remain in the country for at least one year and exports must be paid for in foreign currency. The announcement has cre-



Connecting the Dots

Dr. A. R. Chowdhury

ated a stir among the IMF, other international agencies and the mainstream economists. But an objective evaluation would show that temporary capital control during the current transition phase, though a slap on the face of financial reform, may be the only effective way left for the helpless policy makers in the affected countries.

This measure would have some immediate benefits. For instance, it would protect the domestic economy from the pressures of the global financial markets. It would also help to lower interest rates, follow more expansionary fiscal policy, and introduce reform in a prudent and sequential manner. More importantly, this would give the domestic economy a breathing space and help to get it moving again.

It is gradually becoming clear that IMF's policy prescription of moving more rapidly toward unfettered market is not working for the affected countries in Asia. In fact, the harsh fiscal and monetary measures imposed under the IMF plan are actually taking a toll on the common people.

During the last decade's drive toward financial liberalisation, countries have opened up their market to foreign capital, attracting billions of dollars in foreign investment. However, much of that money was in the form of short-term speculative capital which could leave a country as quickly as it

arrives. As it turns out, the short-term and fickle nature of the capital moving into the Asian countries greatly contributed to last year's currency turbulence.

Should the exchange and capital control be a permanent fixture of the Malaysian economy? Absolutely not. This is a stop-gap measure primarily aimed at letting the economy stand up on its own feet. The controls should be in place no longer than two to three years. Keeping them in place for a longer period may actually harm the long-term growth prospects of the economy. This measure only provides the domestic policy makers a better grip over the economic situation. Countries that have come out from this currency crisis virtually unscathed, such as China and India, are those that have not allowed free convertibility of the domestic currency.

Exchange control is a double-edged sword. What is important about exchange controls is that they cut the link between domestic interest rates and the exchange rate. This helps to pursue an alternative approach to deleveraging than the IMF prescription of bankruptcy, restructuring and debt-equity swap. IMF's debt-equity swap policy would be viable only if debts are less than equity. But in the affected Asian economies, debt exceeds equity making such swaps too much painful.

IMF's implicit assumption that a high degree of leverage exists in Asia is not supported by available data. Asian corporations need to deleverage.

The success of Mahathir's economic reform plan depends on its details. Any subsequent policy rules should be properly conceived and implemented. Ringgit should not be kept overvalued — the current rate of 3.80 against the dollar may be too high. If that's the case, the government should not shy away from taking corrective measures.

As long as Mahathir can take prudent steps, appoint the

right personnel to key economic positions in the government and his economic reforms are not derailed by the political turmoil following Anwar Ibrahim's sacking, chances are that Malaysia would show the other countries in the region ways to come out from the present financial turmoil. In the meantime, for the benefit of everyone concerned, we can only hope for the success of Mahathir's economic reforms.

The crisis of confidence that has hit emerging markets also pose a threat to world economic growth. The developed countries must launch a concerted effort to stem global financial

market turmoil. A coordinated drive to ease monetary policy, including cuts in interest rates to stimulate global demand, is necessary not only to support the countries in financial crisis, but also to preserve or create conditions for sustainable growth and stability in their own countries.

The crisis that began in Asia more than a year ago has now spread globally and raised concerns in capitals and financial markets worldwide. This finds the policy makers in all countries in a new and difficult terrain. But one thing is certain. Repairing troubled financial systems and building healthy ones for the future will both be important for crossing it safely.

This is the second of a two-part series on the Asian Currency Crisis.

Art Buchwald's COLUMN The Rage to Golf

THE biggest crisis that the world faces in the next century is the shortage of land for golf courses. Since the earth's population keeps increasing every year, more and more selfish people are gobbling up land for housing and farming. Choice property that should be devoted to 18 holes of green are being sold to homeowners, who just don't care about the greatest retirement sport known to man. There is no way that people can live in peace if there is a shortage of golf courses on the globe.

The terrible thing about this is that the "have-not" golf course countries could declare war on the "haves", Mexico, which is way behind on building courses, could declare war on California to win country club real estate for its burgeoning population. Mexico's excuse for the invasion is that the California golf land was decided to them by the King of Spain.

France will have to tear up all its vineyards to take care of the French demand for fairways and driving ranges. Barry Zigas, a futurist at the University of October told me "the shortage of golf courses in the 21st century can only be attributed to the greed of architects, home builders and environmental do-gooders. Golf courses are the only answer to hurricanes and tornadoes."

What do you suggest? I asked. The leaders of major powers must launch a crash golf course building programme financed by the World Bank. Not only will the programme supply courses for the rich countries, but the underdeveloped ones will receive financing and as many golf balls as their economies can handle. If we have to bulldoze cities and apartment houses, so be it.

The reason I am even dealing with the subject is that a letter writer, Joseph Young, in the Vineyard Gazette, published on Martha's Vineyard, has suggested that since the island is short of golf courses, we should take over the cemeteries where people with no living relatives are buried. The idea makes sense because the recreational needs of the island must come before those who are no longer with us and have no one to visit them on the Fourth of July. I believe Young had his tongue in his cheek, but cheek or no cheek, it's an idea whose time has come. By arrangement with Los Angeles Times Syndicate and UMB.

To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

Software export

Sir, We are hearing a lot about prospects of software from Bangladesh these days. The government has also some interesting plans like setting an IT park in Ashulia and a software village in Agargaon, Dhaka. But the reality is as follows:

In 1998 we only have VSAT connections to the Internet. The bandwidth offered by the service providers is 64Kbps (only one provider has 128Kbps). If you divide that by the number of subscribers who are connected at any time, the actual bandwidth obtained by the user is very low. Compare that to North America, where many companies have ISDN, capable of providing 64Kbps. I know of a consulting firm in Nova Scotia, Canada which uses an ISDN connection for less than ten users!

We still do not have a top domain for Bangladesh (.bd). India has her own satellite link to the Internet and top domain is provided by a government agency named VSNL. Pakistan and even Nepal also have their top domains.

The importance of the Internet cannot be over-emphasised, especially for software exports. To quote from Bill Gates, owner of Microsoft Corporation, "The Internet is a revolution in communications that will change the world significantly. The Internet opens a whole new way to communicate with your friends and find and share in-

formation of all types. Microsoft is betting that the Internet will continue to grow in popularity until it is as mainstream as the telephone is today."

Masood ur Rahman Computer Systems Consultant Programme Support Unit/Canadian International Development Agency Gulshan, Dhaka

A Change in SSC and HSC exams

Sir, At present, in the SSC and HSC examinations 1st, 2nd, 3rd division and Star marks are 600, 450, 330 and 750 respectively which are not suited for today's world. Every year, many students, in spite of passing in 1st division, fail to get themselves to admit into universities or good colleges. They also cannot sit for the examination earlier. This rule should be changed, and not only this rule but also the ascertainment of division will have to be changed. To my mind, 1st, 2nd, 3rd division and Star marks should be 800, 700, under 700 and 850 respectively. If it is possible those students who will get under 800 will be able to sit for the examination again. I hope the authority concerned would think the matter.

Ms Zahurul Islam Siddeshwart University College

SAARC Power Grid

Sir, Recently a seminar on SAARC Power Grid was held in Dhaka. Participants in the seminar advocated to have a SAARC power grid for the benefit of SAARC countries.

The idea is not basically bad. It will be beneficial when cheap electricity will be available from gigantic hydro-power stations to be installed in Nepal.

At present with shortage of power in India, Pakistan and Bangladesh it may not be very beneficial. Cost of import of electricity may be quite high.

Already there is a great trade imbalance between India and Bangladesh. If power is imported from India, then Bangladesh will be in a more miserable position.

A F M Moenull Islam Chandgaon R/A, Chittagong.

Civil servants can do anything

Sir, Some time ago it was reported in the DS that a senior secretary had called a minister 'a liar' in a meeting publicly!

It was an unprecedented event in the history of Bangladesh. No matter what transpired between the minister and the secretary in the past, it was an unthinkable behaviour on the part of a civil servant.

What surprised us most was that, the very secretary was also nominated for the post of chairman of the Board of Directors of Janata Bank.

There is no reason why the tactless behaviour of a civil servant should be rewarded in such a manner that people would be led to think that it is free for all in the government and nobody cares!

A Citizen Dhaka.

OPINION

Clinton's Predicament

M Ashiq

We are all guided by both good and bad drives and accordingly both acceptable and unacceptable deeds run the course of our life. So there is nothing unusual if we, as human beings, stumble at any point of our life.

Concerned President Clinton is certainly no exception in this regard. His scandalous affair with Monica Lewinsky and his subsequent attempt to deceive the nation can be condoned as a part of human foibles and follies. Society can grant him at least that much concession but not more than this.

The aforesaid explanation is only one side of Clinton's falling. But the other side of Clinton's falling cannot be ignored nor can it be condoned. There is no denying the fact that President of America, like the head of the state of other countries, is a public figure of highest stature. He is the leading light to his nation. He is the torch-bearer and a trail-blazer. He is a person who is supposed to inspire confidence among his

people with highest standard of ethical norms. He is always subjected to constant scrutiny for his public dealing and if needed, he can be put in the dock for any kind of gross lapses.

To put it differently, he will have the hallmark of a decent personality. In the backdrop of these attributes where does President Clinton now stand? How does he presently perform? What is the position of his score card? The harsh reality is that President Clinton is no more the same role model to his countrymen and even to the global community. He cannot enjoy the same moral right to steer his country as he used to enjoy before the admission of his improper relationship with Monica Lewinsky. He has already lost that precious right. Is it not a tasteless act to cling to power and try to lead the country when the image has been so heavily tainted and huge indignity suffered?

Only by stepping down in favour of Vice President Mr Al

Gore, President Clinton could salvage his position and uphold the sanctity of time-honoured moral values that sustain our decent existence. In other words, by volunteering his resignation he could instill a strong sense of morality to his nation, to the world community and no less to his family members. By not doing so, he has rather proved that he is not a person of refined outlook.

If President Clinton views that he is indispensable for his nation, then he is possibly doing something wrong. Because, a president who does not care about building up improper relationship with his female staff and then deliberately resort to perjury cannot be indispensable for his nation and any more. There cannot be any trade-off between a successful president in economic front and an utterly unsuccessful president in ethical front. At least going by the rich American legacy left behind by her past presidents it is rather difficult to endorse his scheme of hanging on to power.