

Alliance for Progress

The Dhaka Declaration of the D-8 summit addresses the key question of how to fashion a cross-continent D-8 grouping into a viable trading bloc with a pragmatic vision. The high-point of the declaration is the common realisation that the countries of the D-8 must first trade vigorously among themselves, invest in each other's country and exchange knowledge and technology to be able to deal with the outside world from a position of strength. It is stating the obvious that since the current volume of trade within the grouping is a meagre 4 per cent of their global transactions, a vast potential exists for business expansion.

The question has been: how to go about this challenge when even SAARC which is geographically so close-knit had to go through a prolonged teething phase to find an answer to a similar problem of exploiting unrealised trade potential: the SAARC member-countries having transacted between themselves as low as 5 per cent of their global volume of trade.

Indeed it goes to the credit of the authors of Dhaka declaration that they have got their priorities right about forging institutional linkages that are key to fulfilling the goals of D-8. The efforts have to be private sector-led with an enabling environment and infrastructure created by the respective governments in the grouping.

The decisions to form a Federation of D-8 Chambers of Commerce and Industry and create a D-8 Business Forum are steps in the right direction. But while we welcome the idea of a multiplicity of mutually reinforcing groups, forums, seminars and symposia springing up as underpinnings to the D-8 agenda, we urge all concerned to see that their focus does not get diffused. This happened in the initial years of SAARC with the result that the transition from rhetoric to reality had been long in coming there.

The questions relating to transhipment, banking and insurance cooperation, customs union, exchange value adjustment, interest rates, avoidance of double taxation, and above all, freer access to their respective markets need to be addressed on a gradualist but well-sustained basis. A comprehensive legal framework has to be evolved if we are to further commercial and investment relations inter-continentially.

The resolve to overcome the risks of destabilisation and increased inequality between the developing and developed countries associated with globalisation could not have become a day earlier. Specifically the D-8 has to collectively fend off the ill effects of the global financial crisis.

Buriganga in Peril

It seems, we, as a race, are not quite accustomed to the concept of nipping a problem in the bud. Almost always a problem turns into a major crisis before it attracts the attention of authorities. Dumping of industrial effluents into the Buriganga from the tanneries at the capital's Hazaribagh and Rayer Bazar areas has been a familiar phenomenon for years. Environmentalists have on many occasions sought intervention of the authorities concerned in this regard. For inexplicable reasons, effective measures to prevent 'slow-poisoning' of the river were not taken. Then, one fine morning, the residents on both sides of the river found hundreds of dead fishes floating on the Buriganga. An epidemic was killing the fish population, experts yelled. One more problem has snowballed into a major crisis. Is there a way out of this? Maybe, maybe not.

Dr. Ainunnishat, a prominent hydrologist of the country, pointed out at the inaugural session of a workshop on reducing influence of chemical products on environment in Bangladesh that toxic-oxides created out of dissolution of chemical waste in water poses the greatest threat to life in water. The first step towards an effective solution may well be elimination of the threat by preventing dumping of industrial waste into the rivers. Dr. Nishat also called for better management of toxic chemicals at the ports. In Bangladesh, he said, we hardly adopt any protective measures while handling toxic chemicals. The workshop which has brought together 30 experts will, we believe, come up with ways to protect the environment from chemical menace. However, that will just be the first step. Their suggestions will be nothing but mere words until and unless the authorities act on them.

On January 18, in one of our editorials, we have suggested formation of a supervisory body for the revival of the dying Buriganga. There has not been any response, so it seems, from people who matter. They have to act and act fast before the problem-turned-crisis turns into an ecological disaster.

Gas Pipeline Tale

The laying of high-pressure gas pipeline along the Jamuna Bridge has been suspended on orders from the Chief Inspector of Explosives. The Chief Inspector has invoked specific clauses of the 1991 Natural Gas Safety Ordinance to call a halt to the laying of 30 inch diameter pipeline along the 4.8 kilometer long bridge. Accordingly, this department has issued notice to the contractors Hyundai, assigned for laying the pipeline and Bangladesh Gas Transmission Company which has been supervising the work. The chairman Petrobangla and Secretary of the Energy Ministry have also been informed, according to reports in an important Bangla daily. The Department of Explosives had sent out similar notices last month also pointing out the deviation in the use of the pipes which are not seamless. Transmission of highly inflammable natural gas through seamless pipes in high pressure is a must for public safety. But the contractors ignoring the safety consideration have been using Submerged Arc Welded (SAW) Pipes imported from Korea. Almost one third of the job has been completed so far. There are reportedly other irregularities also which have been detected and pointed out to the contractors. These are also regarded as dangerous for public safety and security of the bridge itself.

Before the opening of the bridge last June a section of the pipeline had collapsed due to faulty design and use of substandard material for construction of hangers. Work on the pipeline was then suspended. The most disconcerting news is that the Explosives Department is purportedly undergoing political and bureaucratic pressures to withdraw its objections and allow the contractors to go ahead with the job. If so, then it is a dangerous trend and it has to stop right now. We strongly feel that the ministry concerned should take all responsibility and put its foot down on any underhand deal and pressure tactic in the interest of public safety.

In course of the Prebisch lecture at UNCTAD, Geneva on October 19, 1998, Joseph E. Stiglitz, Senior Vice President and Chief Economist, the World Bank dealt on the principles and components of the new development strategy that the crisis ridden world is so anxiously waiting for the last two years. The analysis particularly relevant to the least developed countries first takes into account the mixed experience with development during the last fifty years and the three defining events during this period: (i) collapse of the socialist economies; (ii) dictums of liberalization, stabilization and privatization; and, (iii) the East Asian miracle including its collapse in the recent past. Any such general prescription of principles and components of a new development strategy would considerably vary in its detailed application to a country specific situation. It would therefore be useful to reconsider the analysis in the context of our own experience in Bangladesh during the last 25 years.

Rampant poverty is the most significant reality of life in Bangladesh. To what extent poverty can be removed? What time and efforts are involved in elimination of absolute poverty while the country attains the status of a middle income country? Answer to these questions must, of necessity, constitute the very basis of any development strategy, new or old, for Bangladesh.

Poverty alleviation ought to be the centre piece of development. The well deserved emphasis is conspicuously lacking in the proposed new strategy since successful development has been defined as increase in GDP per capita and in the process reduction if not elimination of poverty, among others, could be achieved.

On the other hand, the poverty focused development strategy should aim at sustainable increase in incomes of the poorest 20 per cent of the population and not the entire population as expressed in terms of GDP per capita. In the miracle days of East Asian economies, my UN colleagues from ASEAN countries in particular used to frequently refer to undue preoccupation of South Asian economists with cutting of the economic cake rather than in increasing the size of it. I still consider the remarks as misplaced criticism of a correct diagnosis since increasing the size of the cake for the bottom 20 per cent would automatically enlarge the total size of the cake.

It is not the question of distribution of an existing total. It remains the problem of growth

The New Development Strategy and the Bangladesh Context

We should be well aware of who should do what in the light of prevailing constraints and limitations. However, nothing is final when we are dealing with future course of events. The scenario will always keep on changing. Progressive modification is the key to any successful strategy of development.

with the added emphasis on where the income should grow. At the same time, if the bottom 20 per cent should grow, the relatively better off 80 per cent must grow as well. In fact may grow more. But a critical minimum rate of income growth for the poorest 20 per cent is a must for any meaningful development strategy for Bangladesh.

Successful development has been recognized as not only increase in per capita income but also higher living standards "as evidenced by standards of health and literacy". Bangladesh experience point out that health sector investment, although inadequate, have been characterized by considerable waste and rampant corruption. The intended services hardly reach the poor and the emphasis is on hospital based curative care instead of preventive health services for maximum benefits at minimum cost. It may be more useful to spend government money on health insurance for the poor and ensure their access to private health care services. In case of education-for-all approach, drop-outs dominate primary schools and poverty is so acute that it is more important for children to fetch water or look after the animals rather than attend schools lacking in meaningful education. Perhaps, a critical minimum level of income is required before incentives for literacy can be generated.

Thus in the transformation process envisaged for development, the first task is to attain that critical minimum level of income for all. Thereafter, improved health for all and universal literacy can be achieved. Bangladesh experience also suggest that micro-credit provides the effective means to attain that critical minimum per capita income even for the poorest. Expansion of wage employment through growth of modern manufacturing and service sectors is necessary but those cannot be considered sufficient for poverty alleviation. Creation of self employment through micro-credit should be at the heart of any worthwhile transformation process. If conditions of life and work for the bottom 20 per cent is changed, the entire society will stand to gain. Development would then proceed upward through layers of improved liv-

ing conditions. The traditional trickle down approach may succeed as an exception rather than the rule and only in small countries which are not densely populated.

Role of NGOs has been another vital institutional development for Bangladesh. It is now a separate sector of development although remains unaccounted for in the new development strategy. We must recognize, though with a heavy heart, that government projects in many instances failed to deliver the intended benefits to the targeted groups and only resulted in the increase of salary bills under the government budget. On the other hand, pro-

grams should be confronted with the coercive powers of the State, if development has to be successful within the stipulated time frame of any plan period. Failure to do so is the root cause of frustration with development in Bangladesh after 25 years of independence.

Government's limited capacity should always be borne in mind. According to Mr. Stiglitz, government seems to have the primary responsibility of transforming the whole society. It is a tall order and the government may find it extremely difficult to deliver the intended results. Government has limited capacity. For that matter, any institution within

considerations and intervention of vested interests. The suggested enlargement of ingredients in economic management would further complicate decision making for optimum resource allocation. As mentioned before, Government's limitations are of foremost concern. Therefore, the traditional list of economic management focused on liberalization, privatization and macro-economic stability may be maintained.

Knowledge management is a broad new aspect introduced as a vital component of the new development strategy. However, it ignores the consequent conflict of priorities. In the education sector, India focused on creation of high level manpower in various technical fields whereas ASEAN countries emphasized education for all and universal literacy as soon as possible. As a result, India has now emerged among developing countries as a leading exporter of high technology and knowledge intensive products and services, while a substantial part of its population remains absolutely poor and illiterate. On the other hand, populations in ASEAN countries are today largely literate and not so poor as in the past in spite of the lost days of the economic miracle. If poverty alleviation is going to be the primary focus of the new development strategy, then not knowledge management but universal literacy deserves greater priority. Also, if knowledge and capital compliment then foreign direct investment is one of the effective ways to secure that knowledge. And, if there is a demand, private sector investment in technical education may fill in the gap left by public resources focused on the drive towards universal literacy.

If Bangladesh is to eliminate absolute poverty and attain the status of a middle income country, say within the next two decades (year 2020), then at least half the population of the country would have to be urbanized working in manufacturing and service sectors, either as wage earners or self-employed.

On the other hand, NGOs are attempting to fulfill an important vacuum due to public sector incapacity and the enormous problems of poverty combined with frequent natural disasters.

Lastly, the new development strategy must be set within the context of regional development of South Asia. This is one of the major issues of economic growth not yet incorporated into our development plans. Our future prospects should be seen in the light of the South Asian Free Trade Agreement (SAFTA), the proposed growth quadrangle covering the eastern parts of the sub-continent and integrated land and water resources development involving our neighbouring countries.

The Prebisch lecture of Mr. Stiglitz provides an excellent framework to identify the key elements of the new strategy of development. We should be well aware of who should do what in the light of prevailing constraints and limitations. However, nothing is final when we are dealing with future course of events. The scenario will always keep on changing. Progressive modification is the key to any successful strategy of development.

jects embodying similar activities were highly successful in the NGO sector. This particular mode of institutionalization of development should become a part and parcel of any strategy of development for the country.

In theory, the emphasis on consensus building, as a pre-condition for successful development is fairly simple and straightforward. The reality is much more complex and social relations proceed along a complicated path. For example, the emphasis on poorest 20 per cent of the population through micro-credit programmes would face severe opposition from those who exploit the poor, village money lenders, in particular. Therefore, what is required is a strong political commitment of those in power to serve the interest of the poor and be prepared to confront the opposition and vested interests. Same is true about privatization. Government is too scared to confront the organized trade unions opposing privatization of loss ridden public enterprises; or, for that matter, there cannot be any consensus with fundamentalists opposing empowerment of women. The emphasis on ownership and participation may assist the process of consensus building. However, there are numerous occasions when reactionary el-

evet should be constituted. In fact inadequate performance of the government of Bangladesh calls for the critical list of minimum number of tasks and as far as possible, development may be decentralized through assignment of responsibilities to entities other than the Central Government whose major tasks may be confined to provision of legislative, informative, financial and security related support to the private sector and other entities like NGOs and local government institutions, in particular, District Councils which are yet to be constituted.

According to Mr. Stiglitz, the focus of public sector should be on "ensuring that health and education are widely available; and spearheading the drive to eliminate poverty". In Bangladesh context, the focus needs to be further broadened to include the role of NGOs in the promotion of primary education and highly successful micro credit programme for poverty alleviation.

Government's capacity to optimize the allocation of resources is vitiated by political

LETTER FROM AMERICA

Abdullah Ocalan's Capture is a Mixed Blessing for Turkey

Dr. Fakhruddin Ahmed writes from Princeton

The battle lines have been drawn. On one side are the Turks and their allies — fellow Azeri Turks in Azerbaijan and Israelis. On the other side are those who historically suffered the most from Turkish rule — the Syrian and Iraqi Arabs, the Armenians, the Greeks and the Kurds.

to Moscow. Israeli intelligence monitored his departure from Damascus. Seeking a political base in Europe, on November 2, Mr. Ocalan flew from Moscow to Rome, where he was held on a German warrant for terrorism. Germany, fearing the kind of protests that have erupted since Ocalan's arrest, dropped the charges.

Mr. Ocalan left Italy secretly on January 16, flying to St. Petersburg. On January 30, he flew to Athens in a private plane. On February 2, the Greek government dispatched him and four aides to Nairobi, Kenya. It turned out to be a bad choice for a hideout. There were over 100 American intelligence and law-enforcement officers in Nairobi investigating the bombing of the American embassy there in August. They quickly discovered that Mr. Ocalan had arrived, informed Turkey, put the Greek embassy under surveillance and monitored Ocalan's cell phone conversations as he desperately called to political contacts.

Things started going bad for Abdullah Ocalan last October. Mr. Ocalan spent much of the last 15 years in Syria. In October, emboldened by a new strategic alliance with Israel, Turkey threatened military action against Syria unless it expelled Ocalan. As one Turkish general put it: "Turkey's army would drive through one end of Syria and out through the other." The US privately sent a similar message. On October 9, Syria put Mr. Ocalan on a plane

wrong. His instincts were right. The Kenyan driver delivered him into the eager arms of the Turkish commandos!

According to Robert Kaplan's opinion as expressed in the *New York Times*, Ocalan's capture, and the violent demonstrations in Europe in its aftermath, virtually assures that Kurdish nationalism will replace Palestinian nationalism as the potent political force in the 21st century Middle East. The early 21st century will be dominated by tumultuous change in Turkey, Syria and Iraq, in which the stateless Kurds will play a vital role.

As with most problems in the Middle East, sharing of water has played a big role in the unfolding events. In 1984, believing that Turkey was for the American embassy there in August. They quickly discovered that Mr. Ocalan had arrived, informed Turkey, put the Greek embassy under surveillance and monitored Ocalan's cell phone conversations as he desperately called to political contacts.

After two tense weeks at the Greek Embassy, Mr. Ocalan was told that he could fly to Amsterdam. As he got into the car, driven by a Kenyan security officer, supposedly to go to the airport, Ocalan looked worried. He sensed that something was

never before because of Mr. Ocalan's capture and coming trial. If it leads to terrorism, that might well provoke a severe reaction by Turkey's military, further weakening civilian rule.

The Kurds were promised a homeland in the 1920 Treaty of Sevres, which carved up Turkey after the collapse of the Ottoman Empire. Mustafa Kemal Ataturk, the founder of modern Turkey, fought to regain the land, destroying plans for a Kurdish state. There have been numerous Kurdish revolts since. For the next 70 years, the Turkish republic denied the existence of a Kurdish identity, and insisted on calling the Kurds, the "mountain Turks." In reality, the Kurds, predominantly Muslims, are ethnically and linguistically different from the Turks and the Arabs; they are more closely related to the Persians. Only in 1991, did the country's President at that time, Turgut Ozal, himself half Kurdish, repeat a law making it a crime to speak the Kurdish language.

In its editorial on February 20, *The New York Times* said: "America's close military partnership with Turkey has muted Washington's criticism of Turkey's treatment of its Kurdish minority. Kurds are denied education in their own language, and even their nonvio-

lent political parties face legal prosecution. Washington's reluctance to speak out is shortsighted."

It is true that Mr. Ocalan's capture resulted in the death of 30,000 Turks and Kurds suspected of collaboration with Turkey. But in the eyes of many Kurds, Turkey's brutal response — including the destruction of some 3,000 villages — undermines its moral authority to try Mr. Ocalan. Turkey now has a golden opportunity to take bold steps to end the insurgency by addressing Kurdish grievances. Turkey should remember that its mistreatment of the Kurds has been the principal argument used to keep Turkey out of Europe.

As states in the Middle East become weaker, the Kurds become more important. Saddam Hussein's demise could break Iraq into Kurdish and Arab parts, tempting Turkey to occupy oil-rich Iraqi Kurdistan. Turkey also controls the headwaters of the Tigris river, giving it life-and-death control over Iraq. "We can stop the flow of water from Syria and Iraq for up to eight months, without over-flowing our dams, in order to regulate the Arab political behaviour," a Turkish dam official boasted.

But the generals can control this water only so long as they

control the Kurds, who demographically dominate the region of southeastern Turkey, where the dams had to be located. Therefore, the battle lines have been drawn. On one side are the Turks and their allies — fellow Azeri Turks in Azerbaijan and Israelis. On the other side are those who historically suffered the most from Turkish rule — the Syrian and Iraqi Arabs, the Armenians, the Greeks and the Kurds. The United States backs the pro-Turkish alliance, while Russia backs the anti-Turkish one.

Turkey's alliance with Israel effectively ends Israel's isolation, which defined Middle East policies for the last 50 years.

Turkey finds itself swimming amid swirling contradictions. It changed its script from Arabic to Roman to please the Europeans, yet remained the "sick man of Europe." While the whole Muslim world is united against the Israeli occupation of Muslim holy lands, Turkey openly cooperates with Israel, to the point of letting Israeli Air Force use its open skies to train for the bombing of the Arabs. Its common people are devoutly Muslim, yet to the government and the military, all that matters is the sanctity of Turkey's sacred "secularism." Turkey considers itself secular and European; to the Europeans, Turkey is Muslim and Central Asian. And the same Europeans who refused to give Abdullah Ocalan asylum, will use his capture to bar Turkey from joining the European Union!

To the Editor...

To call a hartal

Sir, Nowadays hartal is common factor in politics. When a leader is not satisfied he or she takes the easiest way named hartal. At present and in the past all the leaders recognized that hartal bears no fruits except ruining the economy of the Prince.

The issue of hartal must be in favour of the nation, not for either his or her own interest or the party. There are many incidents taking place in the country such as murdering, snatching, raping and the like.

Aren't these evil incidents enough to call a hartal?

Benjamin Gomes
12 Circuit House Road
Kakrail, Dhaka-1000

The King

Sir, The late King Hussein of Jordan was my favourite king and his death has left me with a feeling of personal loss. The King was almost my age and although I never met him, our lives ran parallel; from my mundane existence in Bangladesh his life never failed to fascinate me.

were bitter after losing their home and hearth; on top of that having no resource and only British subsidy to count on.

Sakhat Hossain
Gulshan-2, Dhaka

Programme on guest birds

Sir, On 12.2.99 in the BTV programme *Utshab* guest bird hunters were termed as beasts. It is apparent that the programme producer has no ideal experience of hunting. He wanted to support the people who by showing love for guest birds wanted to prove themselves to be something like poets or progressive minded people etc. This is feel false vanity. Nobody actually goes deep into the matter.

I want to ask these bird lovers whether guests are more loving to them than to their own children? Moreover these guest birds are actually intruders. These bird lovers are killing and eating local birds, domestic poultry, guest bullocks from India etc. Further decline in number of birds is not due to hunting by amateur hunters but due