

# Not to be Lured by Big Dream Stories Any More

OUR past was not so poverty stricken as it is today. It was rather full of affluence and happiness. Countries of other continents and regions driven by their inadequacy of resources and apparent poverty had raided this country again and again being attracted by its fame of wealth. The peace-loving, simple-living people of the country at one stage had to yield to barbarian force of arms and accept subjugation for a period more than two hundred years. Colonial rulers, one after another, exploited the people of this country, plundered its wealth and resources, suppressed the population and deprived the workers and the cultivators of their due shares. People of the country that is Bangladesh now had to pass almost the entire last century in resisting the oppression and exploitation of colonial rulers and fighting for the purpose of attaining freedom. At last after a heroic war of independence and through the sacrifice of over three million lives, violation of three hundred thousand women and destruction of almost entire resources and assets we won independence.

We achieved independence, but the whole nation was in a state of despair with a wrecked economy, ruined crop fields, devastated industries, devastated communication system, blocked ports and rivers and a new and inexperienced government bewildered with such mountainous problems.

As happens usually in such cases, many saviours came forward with various proposals of help(?) to bail us out. Finding no other options we had to yield to many of their proposals accepting their terms and conditions, which later on proved to be detrimental to our cause and interest. In compliance with

their terms we had to undertake many changes, re-organisations, and reform programmes. In the process of implementing them we had to demolish many of our customs, practices and norms, and at the same time go through many a topsy-turvy in the name of reform, re-organization, restructuring, etc. What have we got in return? Have we achieved the projected growth and development? Has our poverty been alleviated in any real sense? No! Rather we are now heavily burdened with international debt poured in as various kinds of aids, development partnership and loans.

The so-called donors, aid giving agencies and development partners often come up with big dream stories. They show us dreams of high development performances, of rapid growth and of prosperity and rosy future. Being lured by their big talks we accept many of their proposals and programmes. The entire nation waits eagerly for completion of such projects. The people wait with great expectation that on completion of such projects the country will achieve economic development, per capita income of the people will rise and the curse of poverty will be diminished. But alas! It takes no time to see our poor people's dreams being shattered. Karnaphuli Fertilizer Company (KAFCO), Razan Power Plant, Haripur and Magurchara gas tragedy and recent production sharing contracts (PSC) with Cairn and Occidental are stories of such dreams.

Presently it appears from the dealings of the representatives and agents of some powerful countries, large multinational companies (MNCs) and renowned foreign entrepreneurs that things have changed a lot in favour of Bangladesh since

Fate of our future generations greatly depends on the wisdom of our present decision. Why should we import our own gas from someone else emptying our hard earned foreign exchange reserves and making our people more poor? Instead, let us retain our resources under our soil and use it in the best possible way through well-thought out and properly designed economic, technical and financial planning for the benefit of our present and future generations.

by Md Nazrul Islam

the period when we were termed as "bottomless basket case" by Dr Henry Kissinger. It is almost certain now from their activities and behaviour that Bangladesh possesses a huge gas reserve. This has attracted big and world famous oil conglomerate, MNCs and state owned corporations towards our country. Various kinds of agents, lobbyists and vested interests have become active all around us with a motive to take hold of the benefits that can be availed of this. This is our tragedy that, whenever a country like ours sees some rays of hope and prosperity, finds some traces of wealth or resources with dreams of better future, it finds itself surrounded by hungry mouths.

Our attention was drawn to two separate reports, "US business leaders' new proposal" and "US-Bangladesh economic relations" in a section of English language press (March 21), based on the comments by Mr Forrest E Cookson, an American economic advisor and the President of the American Chamber of Commerce (AMCHAM), Dhaka. He is also involved in research work for ascertaining economic benefit from the use of gas. He has termed Bangladesh as "Persian Gulf East" and has given high priority for export of gas. It appears from his comments that the only option for Bangladesh to survive economically is to

export huge quantity of gas as immediately as possible. According to him, "Bangladesh is almost certainly better off in sending it (gas) in pipeline. Bangladesh can earn nearly 600 million dollars a year if it decides to export gas to India through pipelines." According to his estimation, "if gas is exported the growth rate would increase by 23 per cent per annum, by 2008 up to 78 per cent." However, Mr Cookson has not forgotten to mention, "These exports should be in a form that provides the most favourable returns to Bangladesh that can be obtained." But he has not told us the full story towards achieving this objective.

Bangladesh wants to export electricity, fertilizer, petrochemicals, LNG, etc. after adding some value to its gas reserve. But according to Mr Cookson "any effort to add value to the gas for export would not be cost effective as those projects are highly capital intensive and require foreign money. Had Bangladesh been in a position to finance the projects it could have been a different story." Well! But Bangladesh needs to extract the gas from under the structure of its deep soil and establish pipeline network to export it to India. So far as we know extraction of gas and construction of pipelines for export purpose require huge capital investment. Is Bangladesh in a position to fi-

nance such gigantic projects? Would not we require investment of foreign money for implementing such projects?

If we analyze from the very beginning it reveals that we are not better off even with our PSCs already executed. Perhaps damages have already been done to our national interests through these contracts. For example, Petrobangla has sold each unit of gas @ Tk 54 in the internal market till May '98. But as per agreement with Cairn Energy and Occidental Petrobangla had to purchase gas @ \$2.27 (about Tk 108) per unit from Cairn's Shangu and @ \$2.17 (about Tk 102) per unit from Occidental's Jalalabad fields. During the year 1998 international market rate of gas was Tk 86 per unit. That means we had to purchase our own gas at a price higher than the international market price. Why should we let MNCs extract gas from our own soil compelling us to buy our own gas at prices higher than the prevailing international market price? Petrobangla bought gas from them @ Tk 105 per unit and sold @ Tk 54 incurring a loss of 48.5 per cent amounting to about \$2 to 3 lac each month. How it affected the general consumers? Petrobangla has already raised the price of gas several times. It is expected that gas price would further be raised in the near future. As a chain effect cost of living is continuously on the rise as gas

is used as the basic fuel in major industrial units including electricity and fertilizer. Thus, apparently, these deals are only bringing increased burdens for the already impoverished people of the country instead of providing them with any relief.

Now the main question is how export will help us? The question of exporting a product, which is also consumed locally, arises if there is any surplus after meeting local demand. We need to deal with some data in this respect. Till now number of gas consuming households in the country are eight hundred thousand i.e. around 4 per cent of the total, while around 16 per cent of our population has access to electricity. Please keep in mind that for us gas is the cheapest available source of fuel to generate electricity. High income group households have access to gas spend 2-4 per cent on fuel, while, on the contrary, poor income group households have no access to gas spend 8-12 per cent on fuel. Now if we export gas without fulfilling the requirement of remaining 96 per cent of the population who are not getting gas and 84 per cent of the population who are deprived of electricity, in what alternative way will they be compensated and what will be the opportunity cost?

It is well known that Bangladesh does not have the capacity to make the huge investment to extract gas and construct the pipeline network for export purpose. But it is understood that big multinational conglomerates with such capability are prepared to invest necessary fund to serve this purpose. But the question is at what terms? What would be the ratio of share distribution? As owner and preserver of the gas reserves how much royalty shall we get? Who will actually be the proprietor of the extracted gas and who will control and handle the dealings?

According to Mr Cookson,

Bangladesh can earn nearly \$600m annually by deciding to export gas to India. Is it really so? What sure quantity of gas reserve has he calculated for us? How much of that is retained for the use of our people and how much of that to be exported and at what rate? What amount of the export proceeds will be made available to us after repayment of debts, providing for fees and other expenses, deduction of costs and distribution of profit? In real sense what total amount will be added to our net national income? Regarding the claim for growth rate up to 78 per cent by 2008, we request to be provided with a cost-benefit analysis and Financial Rate of Return in the light of above questions.

Citing a US study, Mr Cookson said that Bangladesh might get \$1.50 by exporting 1000 cft gas through pipeline. On the other hand export of power with the same volume of gas would earn the country \$1.25, fertilizer \$1.60 and LNG only \$1.40 after deducting cost of production. Amazing? Has he treated all the products on equal financial norms? Has he taken into account the opportunity cost in the former case, as well as social and other economic benefits in the later cases?

Mr Cookson has prescribed to get hydro-power at a cheap price from Nepal and Bhutan in exchange of gas. However, for that exchange he has not suggested export of gas to Nepal or Bhutan by pipeline. Here he has suggested investing on hydro-electricity in Nepal and Bhutan by exporting gas to India. Hydro-electric source for electricity is cheap no doubt. Two Himalayan countries, Nepal and Bhutan are sources of numerous rivers and possess renewable hydraulic resources with enormous potential for hydro-electricity. Mr Cookson knows it well that lack of mutual understanding was so far blamed for impediment in exploration of the environment-friendly hydro-electricity. Countries in the region presently are moving towards mutual cooperation and understanding to achieve welfare of their peoples by utilising their natural resources in the best possible way. Mere necessity will compel them in the near future to make combined and coordinated efforts to produce hydro-electricity together

in close cooperation with the greater interest of their peoples. But in that case it will not be necessary to involve hydro-electricity, as it has not been required in the case of Tarbela Dam, Aswan Dam or Kaptai Dam.

Political scene in our country is very antagonistic. Despite the sharp opposition on various issues and policies, all political parties of the country are unanimous on the issue of gas export. The nation as a whole wants to ensure gas reserve at least for fifty years. This is also in conformity with the theory of savings that was not to spend the resources at once without keeping some future provisions.

We don't want to be lured by big dreams any more. We don't want to be 'Persian Gulf East'. We don't want to be the affluent Kuwait, nor we want to be the target of big power arsenal. We have the ability to extract gas ourselves as we have done in Kailashitla, Titash and Bakhrabad, and to make it available to our people. We may improve further and expand our activity on our own, may be at a slow pace. No need to move hastily. We must learn from lessons around the world. We should not forget what happened to Mexico. American companies held out rosy pictures of the result of exporting petroleum and the government of Mexico yielded to that meretricious offer. But it brought no change of fate for the Mexicans. They remained as poor as before. Same thing happened to Nigeria also. Nigeria is a petroleum exporting country. But it imports petroleum to meet its internal demand. Petroleum products worth billions of dollars being exported from its soil adds little to its national income and contributes no respite to its people's plight.

Fate of our future generations greatly depends on the wisdom of our present decision. Why should we import our own gas from someone else emptying our hard earned foreign exchange reserves and making our people more poor? Instead, let us retain our resources under our soil and use it in the best possible way through well-thought out and properly designed economic, technical and financial planning for the benefit of our present and future generations.

## LETTER FROM EUROPE

### Clinton's Visit: Some Comments on IHT's Coverage

I have read with interest Mr. Barry Bearak's report on President Clinton's recent visit to Bangladesh. (See International Herald Tribune IHT of March 21, 2000.) He starts his fairly long report with the words, "A wretched squatter colony known as the Karwan Bazar Bustee... and finishes it by quoting a village woman called Rowshan Ara, 'Who wants to live with such uncertainty? But we cling to what we have for as long as we can.' Although Mr. Bearak treats the subject (the heading is very encouraging indeed) with sympathy, the overall impression that he conveys is that Bangladesh is a wretched country and that it has very little chance of getting out of this hopeless situation. I do not know Mr. Bearak. I suppose, he is young and impressionable. I am old and not easily impressed by anything. The facts and figures, Mr. Bearak quotes are on the whole accurate. I have no dispute with them. But what disturbs me is his overall approach to the subject which, in my opinion, is quite negative. The message that comes across is that of gloom and doom.

Of course, according to traditional economic measurements, Bangladesh is "one of the world's poorest nations". Of course, Dhaka has got "some of the world's most miserable slums". (No one tries to hide the homeless from public sight as it is done in some other more prosperous countries.) This is also true that our per capita income is very low. Mother nature does, from time to time, play havoc with our lives and meagre belongings. Unfortunately, democracy still "suffers malfunctions" in Bangladesh. Indeed, there are water-borne diseases, which take their toll in human lives every year. In certain areas there are "dangerous levels of arsenic" in drinking water, although I am not sure whether Mr. Bearak's statement that "millions of people are slowly poisoning themselves, sip by sip, and the authorities do not know what to do" is quite accurate. During my

trip to Bangladesh last month, many villagers told me that although the problem still existed, the authorities, with the help of foreign experts, were desperately trying to solve the problem by sinking tube wells even deeper.

I am a Bangladeshi and consider myself fortunate for having had the opportunity of working with many Americans of different ethnic and professional backgrounds. I still have the privilege of maintaining social contact with some of them. The United States is a great nation. I have been impressed by its ethnic diversity, its pluralistic culture, its literature (both canonical and non-canonical), its contribution to philosophy, architecture and science, its innovative spirit, its capacity for self-criticism, its economic power, and above all by its tremendous vitality. I envy its system of government which is, in my opinion, largely responsible for its long political stability and continued economic prosperity. I, as a Bangladeshi would give anything to have half of the political stability that it has enjoyed for more than two centuries. (I do not consider the civil war as a breach of political stability of the nation as a whole. It was, in my opinion, a mere interruption in the process of the consolidation of the nation, which further strengthened it.)

This does not mean to say that I like everything that I see or read about the US. I have seen the degradation of life of the homeless in its big cities; yes, there are squatter colonies in the wealthiest nation on

earth. I have been shocked by the misery and plight of some of its so-called minority communities. I have felt outraged by the open discrimination that is practised even now against members of these communities. I have been baffled by the grave contradictions between its self-righteous preachings on morality and its actions in many parts of the world. In short, over a period of nearly fifty years, I have had enough exposure to the American culture to appreciate its many good points and accept its darker side (not without criticism, however). I am sure, Mr. Bearak, as an open-minded journalist, knows that if one wants to take a negative attitude towards the US, one can easily add many more items to this list. Yet, at the end of the day, what counts is the overall impression, which is what comes across as the central message. And my message is that America is a great nation and that its virtues should be emulated by others.

If Mr. Bearak were not that overwhelmed by the slums of Karwan Bazar Bustee and wanted to look at the country from a more positive angle, he would see that Bangladesh, as a nation has many blessings as well. Its people are friendly, hardworking, education-hungry and very resilient. He would also see that unlike many other countries, in Bangladesh, there exists a strong feeling of nationhood because of ethnic, linguistic, religious and cultural homogeneity among the vast majority of its people. Instead of making a passing remark that "in most ways

Bangladesh is now in less of a mess with the poverty rate drifting down and economic growth rates climbing slowly", he could have added that in spite of political instability and frequent natural disasters, Bangladesh has made significant strides in many aspects of life. The GDP has registered a growth rate of approximately 5 per cent on average for several years. There are few countries in the world where land is so fertile that it regularly yields three crops. If land is considered as the country's most important natural resource, Bangladesh is in a very fortunate position because there is very little chance of its resource base ever being depleted unless, of course, there is a natural disaster of huge magnitude.

The agriculture sector, which contributes over 30 per cent of the GDP has shown consistent growth over the last few years. The industrial sector's contribution to the GDP has maintained its growth rate. The clothing industry is booming. Poverty line, measured in terms of calorie intake, has declined significantly in both rural and urban areas. In Bangladesh, not only life expectancy has gone up significantly but also a

Bangladeshi's expectations from life have gone up as well. Universal compulsory free primary education has been introduced. Adult literacy rate is now over 52 per cent. The birth rate of the population has fallen from close to 3 per cent to 1.9 per cent. If it were possible for Mr. Bearak to learn the language and to live in the country (which, I realise, are outside his terms of reference) with the villagers in their natural setting, he would discover that quality of life can not be judged only by economic factors -- although they are important -- such as whether one has electricity and telephone at home or not. There can be other standards to define what is quality of life and what is not.

If Mr. Bearak had bothered to find out about the Grameen Bank and the Brac Movement, he would discover that these are novel experiments in the noble act of poverty alleviation, which are empowering millions of people to overcome their day-to-day challenges of life. These are highly successful non-governmental organisations of Bangladeshi origin, organised and managed by native-born Bangladeshis.

Finally, Mr. Bearak could have been slightly more sensitive to our feelings, because as President Clinton put it on March 20, 2000 in his address to the people of Joytura at the US Embassy in Dhaka, "Intelligence and ability and a human spirit are evenly distributed across the rich and the poor, in every continent on earth". As long as we believe in this message, there is reason for hope for us, the poor Bangladeshis.

## Meeting the Food Need

by Leni Cifra

THE 2,400-year-old Chinese innovation of integrating fish, livestock and crop farming is sparking new interest as demand for more

and better-quality food from larger populations shoves up prices -- and stokes political ferment.

Research centers, from University of Bologna in Italy to India's Council of Agricultural Research, are taking a second look "at revival of fish-rice cultivation for ecological and economic reasons," the Food and Agriculture Organisation notes. Integrated farming systems seek optimal use of land and water, while recycling livestock manure and crop residues. They now receive increased attention worldwide, the United Nations agency observes.

In Argentina, Brazil, Haiti, Panama and Peru, Louisiana in the US, Spain and Italy, the potential of shrimp, fish (tilapia) in rice fields is being studied intensively.

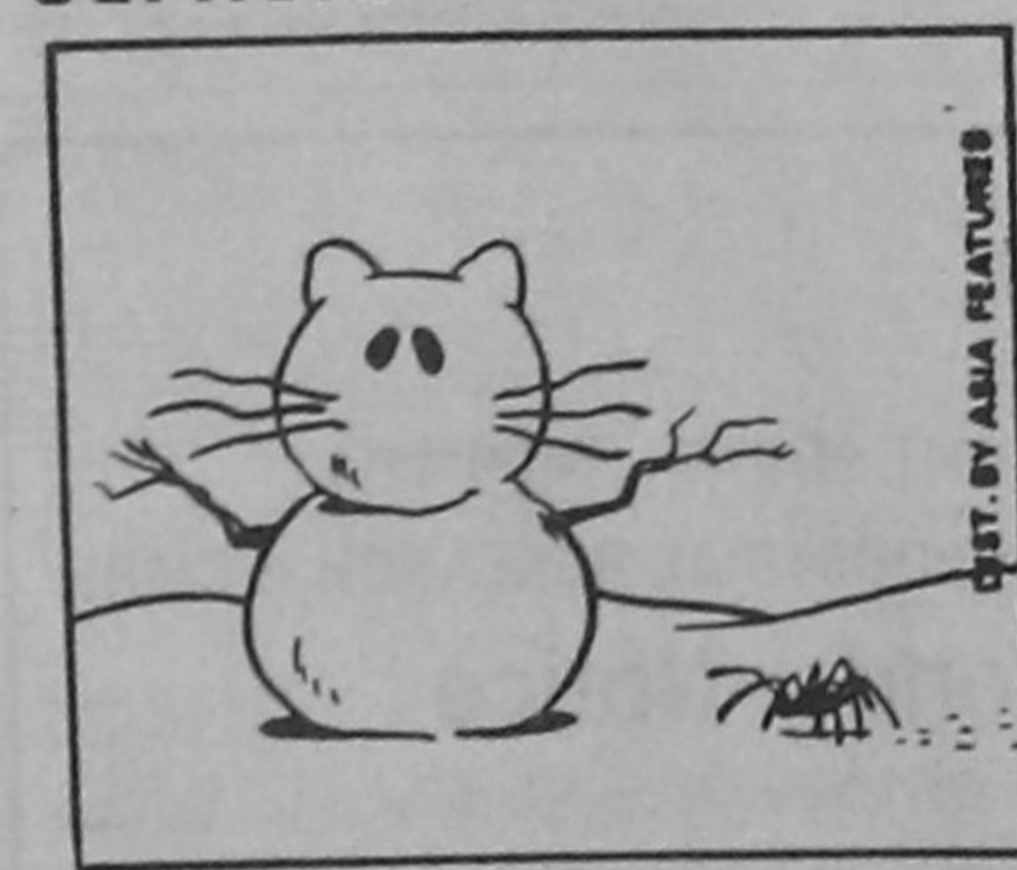
"Rotational farming of rice and shrimps has a long history in the intertidal zones of Bangladesh, India, Indonesia, Thailand, Vietnam and other Asian countries," FAO's State of Food and Agriculture (SOFA) recalls.

New findings on hefty gains from integrated systems are spurring scientists on. ICAR in New Delhi, for example, tracked a 12-fold boost in income from integrated rice-fish systems, combined with vegetables or fruit crops, grown on bunds.

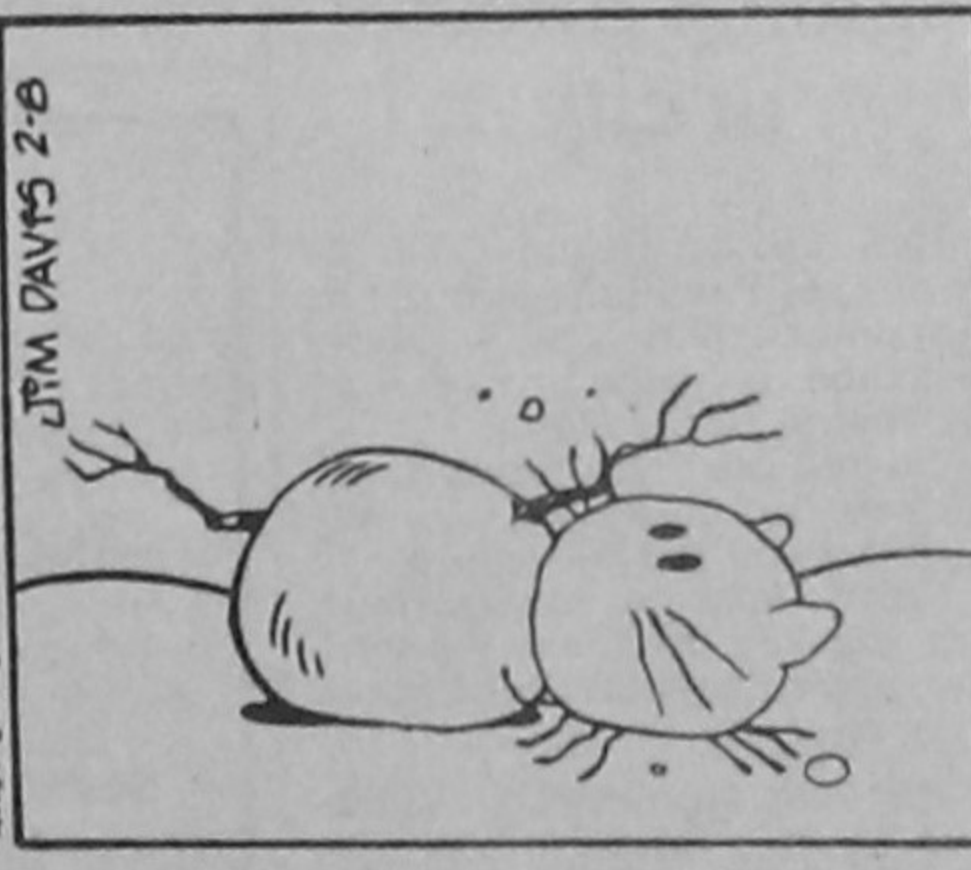
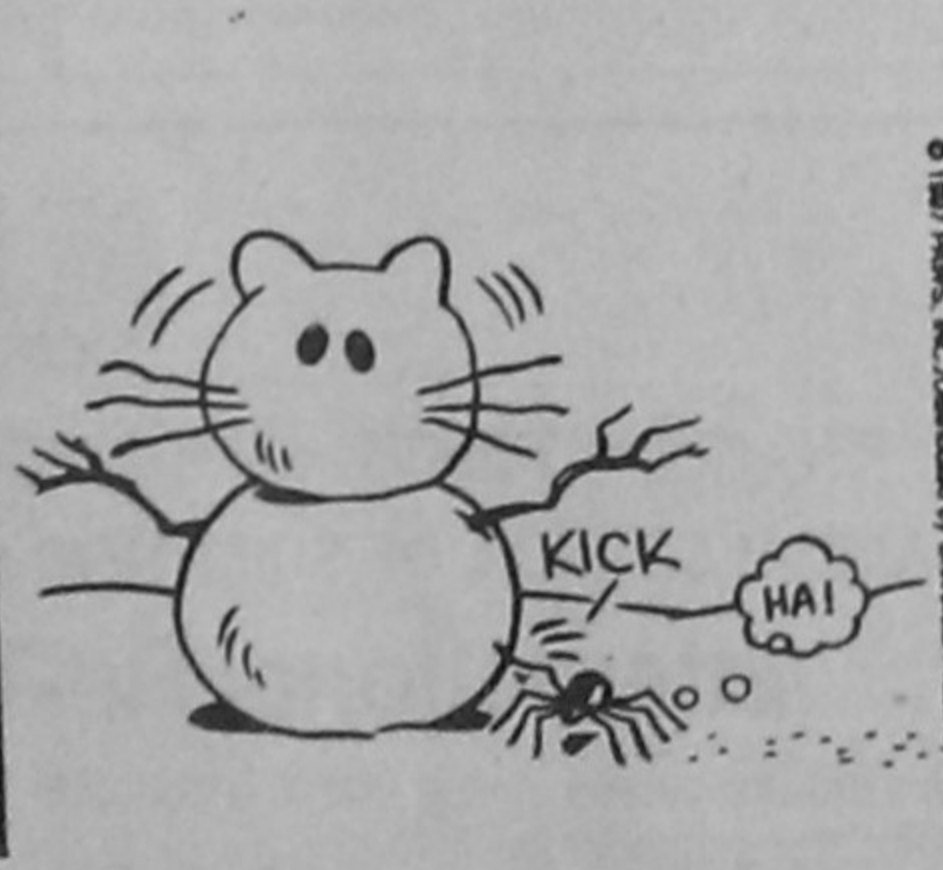
"In many Asian countries, over one-half of animal protein comes from fish; in Africa, the proportion is 17.5 per cent," FAO states.

by Jim Davis

Garfield @



James Bond



## Government of the People's Republic of Bangladesh

Office of the Executive Director

Greater Dhaka Transport Planning & Co-ordination Board

Nagar Bhaban, 13th floor, Dhaka

Tenders in sealed envelopes in prescribed form and conditions are hereby invited from manufacturing establishments/supplier agents for supplying furniture/office stationery/photocopy and generator goods as mentioned in the schedule for the Greater Dhaka Transport Planning & Co-ordination Board.

### Details Description of Tender

- Place where schedule with detailed description will be available : Director (Administration), GDTPCB Office, Nagar Bhaban, 13th floor, Dhaka.
- Last date of selling tender schedule : 26/04/2000 at 5:00 PM till office hours.
- Last date of depositing tender schedule : 27/04/2000 at 12:00 Noon.
- Date and time of opening tender : 27/04/2000 at 12:30 PM (in presence of tenderers, if anyone schedule remains present).
- Description of furniture/office stationery as stated in the schedule:

Serial No	Description	Security money	Cost of schedule	Time fixed for supply
1)	Furniture for use in the office of the GDTPCB (as per list as stated in schedule)	2.50% of the quoted cost	Tk 500/-	Within 30 (thirty) days of receiving tender.
2)	Office stationery for use in the office of the GDTPCB (as per list in the schedule)	2.50% of the quoted cost	Tk 200/-	Within 7 (seven) days of receiving tender.
3)	Plain Paper Photocopier Machine (heavy duty) capacity. It will have to be of Canon, Sharp, Sony etc any Japanese company with the capacity of photo copying of at least 15-20 pages per minute and 200 photocopy without stop.	2.50% of the quoted cost	Tk 500/-	Within 7 (seven) days of receiving tender.
4)	27 and 30 KBA generator (as per list in schedule)	2.50% of the quoted cost	Tk 500/-	Within 7 (seven) days of receiving tender.

### Terms and Conditions:

- 2.50% of the quoted cost as the security money in the form of BD/Pay Order from any scheduled bank in favour of the Executive Director, GDTPCB will have to be deposited with the tender.
- Tender will have to be reached directly. No tender will be received after the expiry of the stipulated period.
- Work order will be cancelled and security money will be forfeited if the work is not completed within the stipulated period.
- Goods of the specific brand must be supplied. The authority is not obliged to approve the tender with the lowest rate and the authority reserves the power to reject any or all tenders without assigning any reason.
- Bill will have to be submitted on completion of work and bill will be paid through cheque after it is passed.
- Tenders for goods for serial Nos 1, 2, 3 and 4 may be submitted altogether or separately (separately for the goods as stated in any serial).

Director (Administration)

GDTPCB

Nagar Bhaban, 13th floor, Dhaka

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— (DEPTHnews)