

## Another Wrong Signal to Investment

WHAT happened on Tuesday at Sarak Bhaban should make our heads hang in shame. It had to do with tender paper submission by representatives from two Chinese companies for Road Rehabilitation and Maintenance Project-III in Barisal-Gopalganj area. Just when they were handing in the papers, a bunch of terrorists with a Jubo League label sprang on them to snatch away their quotation offers. That the thugs could not have gained an entry into the roads and highways headquarters without some insider help appears proven from the instant laying off of the Project Director Mozammel Hossain Chowdhury after the incident.

The project is rather small, worth Tk 64 crore only but we have sent out some hugely negative signals to all concerned - thanks to the misdeed of a handful unstopably flaunting ruling party clout. Understandably, the Chinese embassy and the resident office of the World Bank, the project having been listed under a WB credit programme, are in the know of things. They cannot look kindly on what has happened, can they?

There are several implications to such an untoward incident concerning international tenders. We need to be fully seized of them so that corrective measures are in place to thwart its recurrence in future. At least two wrong signals might be read: first, even utilisation of a WB loan may be seen as facing the knock-on effect of a poor law and order situation; and secondly, it is the visage of an 'inclement weather' we put across to potential foreign investors. In fact, there are reasons to believe that local businessmen and entrepreneurs are themselves growing cynical about further investment owing to highhandedness of some vested quarters out to monopolise everything. Since foreign investors attach great value to local investment while deciding to put their money in a country, it is the overall field situation that needs improving.

But in the immediate run, let's have stepped up security at the offices at the time of receiving tenders as well for their safe-keeping against attempted tampering or grabbing before opening them.

## Trade in Women

IT'S more or less the same story. A young woman comes out of her home in search of a job; gets deceived by pimps in the guise of recruitment agents being taken to a city on fake promises; and finally lands in a brothel for an inhuman and inhumane living for the rest of her life. In case of more than one hundred distressed women who were forced into prostitution upon their arrival in the Middle East in quest of a 'secured and prosperous' life, the difference is in terms of distance from home. They are far away from their native land, caged amongst sex-starving strangers. These hapless women have been doubly wronged, for they were deceived into paying for a life in veritable hell. Those who have somehow managed to escape from the clutches of brothel owners and their agents and returned home now face a life devoid of dignity and full of trauma - physical, psychological and, needless to say, economic.

The firsthand account of some victims as related in a front-page report on Tuesday's *Prothom Alo* leaves us livid with anger as well as in pain and shame. While incidences of trafficking of women and children have been steadily on the rise, the authorities have been painfully sluggish in response and have made little or no ground in the fight against the perpetrators. We have, along with women's rights organisations and civil society exponents, persistently demanded an orchestrated effort to weed out the criminal elements engaged in exploiting the vulnerably placed women, but to no avail.

Basically the tragedy stems from our inept economic management. Beneath the pompous claim of positive GDP growth lies the cruel truth that we are yet to devise means and ways to generate economic activities in the rural areas. It is our failure to create jobs in the countryside that has forced so many to migrate to the country's urban centres in search of fortune, eventually to end up in extreme misery.

Therefore, alongside stepped up law enforcement and civic surveillance, we need to generate more economic activities and thereby more employment for the rural populace, so that people don't have to leave the villages for cities for 'secured and prosperous' life.

## Tribute to Sirimavo

TODAY we pay rich tributes to a person who became a political dynamo from a shy housewife some forty years ago. Sirimavo Bandarnaike joined politics perforce upon the assassination of her husband Solomon Dias Bandarnaike who was elected Prime Minister of the island democracy in 1956. Once in power she ruled Sri Lanka with iron hand and political foresight keeping in mind the importance of maintaining good relations with her big neighbour India. Her policies of nationalisation of big industries came under criticism but strangely enough this paid off handsomely and helped shut her critics out. There had been shift in her foreign policy and in 1970 she ordered the United States Peace Corps out and Israeli embassy closed. In 1972 she made the country a republic and the year before she crushed a Marxist insurrection in which about Twenty thousand were believed to have died.

Sirimavo was the first woman Prime Minister of the world, a position to which she did not aspire but history beckoned her. A democrat at the core of her heart Sirimavo accepted the decision of the Parliament which expelled her in 1980 accusing her of misusing power and banning her from office for seven years. Her civic rights were restored in 1986. But Sirimavo showed remarkable resilience of character coming from the brink time and again and playing her historic role for the island nation. Even on a wheelchair she could not stay away from casting her ballot just before falling to the icy hand of death. May the good work done by this indomitable human being be continued by her people.

Our profound condolences to the bereaved family and the friendly people of Sri Lanka at her demise.

THE World Development Report (WDR, 2000/2001) of the World Bank (WB) has been released recently. This year WDR appears with the theme: 'Attacking Poverty: Opportunity, Empowerment and Security'. The document should be deemed as a policy paper on poverty that purports, first, the gravity of the situation pertaining to poverty and secondly, the resolution of the conflicts that tend to propagate poverty. It needs to be noted here that, allegedly, developing countries have long been the 'preys' of WB's prescriptions on development, and so the critics go to argue the WB has also to bear the brunt of failures, if any, in reducing poverty in those countries. Of course, not with truth standing its role. WB warrants appreciation for bringing to the fore the frontiers of failures in the realm of poverty reduction.

The basic feature that lies at the heart of a differentiation between the poor and the non-poor is well-known. While the former lives without the fundamental freedom of action and choice, the latter lives with them. The bundle of choices that the poor is faced with tends to be thin while for the non-poor it is thick. They also face extreme vulnerability to ill-health, economic dislocation and natural disasters. And they are often exposed to ill treatment by institutions of the state and society and are powerless to influence key decisions affecting their lives. These are all dimensions of poverty", says the WDR.

There are, reportedly, six billion people in the world. The daily income of almost half of them is less than \$2. Another one-fifth lives on less than \$1 a day. This taken together, two-thirds if the world's population live on \$1-\$2 a day. Again, of these earning less than \$1 a day, 44 per cent come from South Asia. According to a

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recent survey on five villages by the writer, in rural Bangladesh 35-40 per cent of the people live on less than \$1 a day. At the current exchange rate, this amounts to Tk 53/day. Having spent 60-70 per cent of this income on basic food items, these people are left with very little to purchase other items that make man 'healthy, wealthy and wise'. However, globally, the gravity of the poverty syndrome is further compounded by, a la WDR, the following facts: (a) as many as a fifth of children in poor countries fail to reach their fifth birth day. This compares with less than 1 per cent in developed or rich countries; (b) almost half of the children under 5 are malnourished in poor countries compared with less than 5 per cent in developed countries. In a vicious circle phenomena, these deprivations tend to deter development. This destitution persists even though human conditions have improved more in the past century than in the rest of history global wealth, global connections and technological capabilities have never been greater. But the distributions of these global gains is extraordinarily unequal".

Allow me to cite the following observation. "The average income in the richest 20 countries is 37 times the average in the poorest 20 a gap that has doubled in the past 40 years". In Dhaka city in particular the average per capita income of dwellers in slums and squatters is only 23 per cent of those in non-slum areas. The inequality of income has been growing over the past. There are few signs of sun-shines while most of the poor countries are dragged into the darkness. For

example, despite debilitating effects of the financial crisis that East Asia was fraught with between 1987 and 1998, the proportion of people living on less than \$1 dropped drastically (from 420 million to 280 million). On the other hand, the numbers of those soared in Latin America, South Asia and Sub-Saharan Africa. Most disconcertingly, in transition market economies, the number of people earning less than \$1 increased more than 20 fold!

## Beneath the Surface

by Abdul Bayes



So the world is not free of poverty and free of the misery that poverty breeds and propels. The success stories in the case of micro credit and subsidy on girls' education (Bangladesh), overall poverty reduction (China), slashing military budget and investing heavily in health and education (Mauritius), social development (Kerala, India) are not sufficient to blur the bleak side of the poverty basket.

At the international community level, the gravity of the situation seems to be well understood and to this effect a number of objectives have been set forth. These objectives or goals most for 2015 aim at reducing poverty and human deprivation in many dimensions (the benchmark figures for 1990) through the following means as shown in WDR: (a) reduce by half the proportion of people living in extreme

poverty (living on less than \$1/day); (b) ensure universal primary education; (c) eliminate gender disparity in primary and secondary education (by 2005); (e) reduce infant and child mortality by two-thirds; (d) reduce maternal mortality by three-quarters and so on and so forth.

Needless to mention, perhaps, that attainment of these objectives would require accelerated actions to spur economic growth. But at the same time if the distribution of growth (as well as its quality) does not conform to the criteria of 'growth with social justice', the future might face a fatal fate. It is not growth per se but 'quantity' as well as 'quality' of growth that matter. In Bangladesh, for example, growth has never been robust but even the modest economic growth breeds inequality to negate the positive impact of the growth itself.

The WDR proposes to attack poverty in three ways: promoting opportunity, facilitating empowerment and enhancing security. The opportunities for the poor should be created by the state "to support the buildup of human, land and infrastructural assets that poor people own or to which they have access."

The elements in the set of opportunities are, for example, jobs, credits, roads, electricity, markets for produce etc. Just note the findings by Binayek Sen,

a BIDS researcher: (a) the incidence of poverty is 19 per cent in households with access to electricity while it is 44 per cent in households without electricity. Further, 96 per cent of the poor come from households without electricity; (b) the incidence of poverty is 64 per cent in case of those without formal education compared to 45 per cent who passed primary level and 10 per cent for those who obtained higher secondary education. The impact of good roads on poverty alleviation has been documented by other authors. Bangladesh has only 12 per cent as paved roads compared to 80-90 per cent in Malaysia and Thailand, only 3 telephones per 1000 people compared to 198 and 84 in Malaysia and Thailand, public expenditure on education is 2 per cent as against 5 per cent in the other two countries.

Thus opportunities created through distribution of electricity, provision for education and good roads could reduce poverty. The political will to ensure these facilities is needed. Of course, one needs to be courageous to embark on drastic reform measures to see that the poor get access to these facilities.

In case of empowerment, 'active collaboration can be greatly facilitated by changes in governance that make public administration, legal institution and public service delivery more efficient and accountable to all citizens by strengthening the participation of poor people in political process and local decision making."

Poverty is a multi-dimensional problem that needs multi-faceted weapon to fight with. A compre-

hensive approach is needed in matters of opportunity, empowerment and security. It also requires positive international support. Industrialised countries should open up markets for a freer entry of commodity from developing countries. "It has been estimated that OECD tariffs and subsidies cause annual losses in welfare of almost \$ 20 billion in developing countries equivalent to about 40 per cent of aid in 1998." Poor countries should be provided with trade facilities (as the rich countries get from poor countries) not aid facilities to cope with their chronic problem of poverty. And if the question of aid arises that needs to be marked for social sector programmes.

The huge challenge that besets developing countries needs local initiatives and global cooperation. Locally, political leader have in learn from past mistakes and embark on right policies in right earnest. While, on the other hand, international agencies should help home-grown attempts of developing countries to succeed. However, what we are afraid of is the fact that in most of the developing countries, the socio-political set up still tends to militate against any attempt to reduce poverty on a substantial scale. This is amply demonstrated by the fact that in few of these countries governance is good to grapple with poverty problem; political will is there to reduce inequality, and reforms agenda is not stalled in the face of fierce opposition from the vested interest groups. Only lip services, both at national and international level, seem to be leapfrogging. And if that is the reality, poverty would continue to reign even in 2015. The world has witnessed plenty of policies as well as plenty of poverty. The gap needs to be reduced soon.

## Alarm Bell for the Developed First World

# Make Globalisation of Trade Beneficial for the Third World

by AMM Shahabuddin

The way the organised protests and demonstrations, whether against WTO conference or World Bank and IMF annual meeting, are spreading like a chain-reaction from one city to another, in the developed west itself, only future will show where they will land next and in what form. The developed First World should be reminded that 'globalisation of trade' is not a 'one-way traffic', it should be made equally beneficial for the Third World countries, too.

agenda after the global talks on financial matters were literally torpedoed by the violent protests. Perhaps it was the second biggest set-back for the developed countries, after their humiliating 'retreat' from Seattle conference of WTO. But what more next? That's the big questions. This is not the end of the show.

In fact, the pain in the neck that began with the developed countries at the WTO session last year in Seattle didn't stop there. It rolled down their 'spine', pricking different vantage points Washington, Los Angeles, Philadelphia and then Prague. But this is not the end of the 'journey', as hinted by a spokeswoman of the Prague umbrella protest groups INPEG. Following the hurried ending of the WB and IMF meeting, she said: "They were not feeling comfortable meeting in Prague and they should never feel comfortable meeting to discuss the (economic) future of the world without the consent of the people". The spokeswoman further said: "We are trying to achieve the abolishment of the IMF and the World Bank. So if there is anything we can do to disrupt their meetings, I think that is wonderful." Therefore the demonstrators, after achieving their goal in Prague, must be on the look-out for their next round of activities wherever any such meeting is held.

The pernicious economic prescriptions, issued from time to time by these twin organizations, fully controlled by American interests, were said to be for the development of the Third World poor countries. But there has been total failure in achieving this goal as they have brought more miseries than relief to the developing countries by ever increasing the debt-burden.

The recent 'G-8' (Groups of Eight), comprising seven industrialised rich countries plus Russia) meeting in Okinawa (Japan) was strongly criticised by Presidents of three African countries Nigeria, South Africa and Algeria who were physically present at Okinawa during the meeting to present their viewpoint to the 'G-8' leaders. Besides, a London-based debt pressure group, 'Jubilee 2000' also strongly criticised the 'G-8'

for their failure to honour their own debt-relief promise made at their Cologne (Germany) meeting last year, that as much as \$100 billion worth of debt burden would be wiped out. But nothing has been done.

Giving an example what 'debt-burden' means to a developing country, the Nigerian President was reported as saying that Nigeria would have to pay this year \$1.5 billion for debt servicing which was three times more than his country's education budget and nine times more than their budget on health services! This solitary example makes it more than clear how the increasing debt-burden tightens the noose around the neck of the developing countries. That is why Malaysian Prime Minister Mahathir kicked off when IMF came up with a 'bail-out' proposal for Malaysia to ward off the hazards of 1996-97 south-Asian economic depression. Following its own national policy of utilising domestic resources, it came out with flying colours from the curse of economic depression that engulfed many South Asian countries.

Perhaps the young demonstrators from the developed countries, who have been carrying on their protests, consider the twin organizations, the World Bank and IMF, are like two sharp horns of a 'bull' in the 'China'

shop of the developing countries, creating a havoc there. So the earlier the 'twins' are grounded the better. So they have taken a vow to carry on the agitation whenever these two organizations plan to hold any such meeting in future, to save the poor nations from being buried in the quagmire of galloping debt-burden. The poor nations, no doubt, were tempted, by the 'carrots' offered by the WB and IMF, perhaps overlooking the sticks from which the carrots were hanging.

The prescription of globalisation of trade that the developed countries are trying hard to push down the throats of the Third World countries is another 'well-dressed' name of former colonialism' now a 'neo-colonialism' or 'economic colonialism'. In fact the industrially developed countries want to regain their economic 'control' over their 'lost territories' which they had to leave due to rising anti-colonial struggle. Now they have devised new ways and means using the WB and IMF, not only to re-enter their 'lost territories' but take control of their governance from within to serve their purpose of milching more profit. It is true that both WB and IMF have deviated from the main functions assigned to them by the participants in the Brettonwoods conference held in

1944. They have now become mere pawns and tools in the hands of vested interests that control them fully. That is why US Senator Moynihan once demanded their abolition, particularly of IMF, because, according to him, it had 'outlived its utility' by going away from its set course.

The way the organised protests and demonstrations, whether against WTO conference or World Bank and IMF annual meeting, are spreading like a chain-reaction from one city to another, in the developed west itself, only future will show where they will land next and in what form. But it is undoubtedly, an 'alarm bell' for the developed 'First World' to take note of before it is too late. Mere rhetoric will not do.

Meanwhile, let the Third World countries of Asia, Africa and Latin America build up a solid united front, say, through the 'group of 75', having more than one hundred members, which recently met in Havana, to chart their plan of action, to meet any wrong move by the developed countries to further strengthen their hold over the developing countries, and tell the developed countries to fulfil immediately their last year's promise of wiping out as much as \$100 billion worth of debt-burden. They should also be reminded that 'globalisation of trade' is not a 'one-way traffic'. To be effective and purposeful, it should be made equally beneficial for the Third World countries, too.

The writer is a retired UN official.

## To the Editor ...

### Save the rivers

Sir, Very often we find the national dailies carry news on river encroachment by the influential ones but no one dares to say anything against them. Such practice, however, is not found in the west where the rivers flow without any impediment. Not only the Buriganga which has turned out to be a hostage to the so-called affluent people but most of the rivers have become their target. Recently, the Environment Minister said that steps would be taken soon to reclaim the lands from their grip. But nothing concrete has been done so far. To free the waterways for smooth use everybody should come forward and press the government for immediate action. It is also found that the land grabbers have stored construction materials by the river side for establishing their enterprises which include cottage industries, ice factories, brick-fields, godown etc which is causing severe environmental degradation. It is high time for the government to come forward to ensure us pollution-free rivers and fresh air.

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### Police force

Sir, Recently a report was published in different dailies about harassment of the wife of a Major by policeman. Only a few weeks back a Naik of the Armed Forces was severely beaten by a group of policemen in Chittagong and his belongings were taken

away. This is a new dimension now added to the atrocities committed by the police force in the country. From the daily news reports one may as well come to the conclusion that the police, from top to bottom, are linked directly or indirectly with most of the crimes committed in the country. It is now an open secret

that it is the police who allow criminals to go scot-free. The policemen have been found as killers, rapists, extortionists, robbers and what not! But the most disappointing situation is that not a single policeman involved in the criminal activities has been punished excepting so-called transfer or temporary

suspension, the impact of which is meaningless. Report of amassing huge wealth by the policeman disproportionate to his income was also published in the print media, but no question was asked. Such a situation is unprecedented even in the least civilised country! As a result these policemen are encouraged to commit more crimes along with their other criminal accomplices. No wonder they are now rightly called as the 'Licensed Criminals Force'. To any one, the appearance of any policeman is frightening and not reassuring. They are hated by the public at large and time may come soon when they will have to face public wrath for their misdeeds. It is high time for the authorities (not police) concerned to realise this hard fact and to take necessary measures to turn the police force into a benevolent one.

A citizen of the country  
Dhaka

## Global trade war is nearer

Sir, Both the US and Russia are wowing big brother India. The smaller Saarc member nations are going to feel the warmth of the

drifting aromatic vapour. The situation will be clearer after the PM returns from Washington later this month.

In Dhaka, AmCham is lining up the big guns in global trade (DS, October 4) to reorient GoB's thinking on cross-border trade (mainly transmission of gas and power). Pakistan is facing bankruptcy unless topical rescue packages are forthcoming from the foreign 'partners'. In Sri Lanka, the Tiger war cannot continue for generation.

Possessing power (nuclear arms) and using it are quite different situations. GoB has to announce a stand after US Geological trained local experts make some recommendations on the export of gas.

The new regime after the next year's elections will have a say on the issue. Hence Dhaka has several home works on hand. The result should not be like that of our student examinees in the academic field. The seat of power is comfortable if some good results are achieved in nation-building policies.

The return of the PM from Washington armed with a heavy agenda will be awaited with keen attention.

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