

Book Review

A Vision and Strategy for Bangladesh

Bangladesh: Promise and Performance presents an intellectual stocktaking of the country's past and present

By Professor Mustafizur Rahman

THE section of the book on *Economy* includes three chapters: *Economic Development: From Independence to the End of the Millennium* by Professor Azizur Rahman Khan, *Growth, Poverty, and Human Development* by Dr. Binay Sen and *Boringram Revisited: How to Live Better on Less Land* by Dr. Kirsten Westergaard and Mr. Abul Hossain. What gives this section its distinctive flavour is that taken together the three papers provide the readership with an excellent opportunity to have a close look at the interface between the macro and micro dimensions of the more than two decades of development in post-independence. The three papers presents a critical perspective to Bangladesh's development experience from three different but related angles: Khan traces Bangladesh's economic performance in terms of key macro correlates and focuses on how these have impacted on production income and distribution; Sen presents an anatomy of the growth process from a poverty perspective, poverty being treated both as a cause and an effect; Westergaard and Hossain's paper provides insights into how the growth dynamics at the macro level have got translated into the economic life of a remote village in rural Bangladesh. And as the editor of the volume Dr. Rounaq Jahan ought to be given credit both for the selection as well as the sequencing of papers in this particular section of the book.

Khan's succinct and lucid analysis of post-independence economic development is based on a study of the major trends in some key macro-economic indicators including (a) structural change in the economy and its implications in terms of poverty situation, (b) dynamics of income distribution, (c) composition and quality of investment and savings, (d) foreign trade in the context of globalisation and (e) experience with economic reforms in Bangladesh. It is a retrospective analysis with an eye for learning the lessons for future policy making.

Khan analyses the historical growth rates and throws some important insights. It is pointed out that growth rate of GDP experienced during the post-independence period (1975-97), averaging about 4.4% per annum, was higher than the 3.2% experienced during the two decades preceding independence (1950-70). With a secularly declining population growth rate, 1.9% in recent times, this meant that the average per capita income had indeed registered a significant rise over time. As Khan points out, per capita annual GDP growth rate during the 1990s was almost four times higher than the matched average figures for the 1960s, indicating that during the post-independence period average living standard of people has grown at a faster rate compared to the pre-independence period. However, this relative success is put into its proper perspective by putting it in the context of South Asia. Indeed GDP growth rates in Bangladesh in the 1970s and 1980 is found to be significantly lower than the rest of South Asia. The pace of per capita growth rate in income levels was neither robust enough to make a real dent on the poverty situation, nor was it a *shared growth* with a capacity to arrest the growing inequality in income distribution. The end result was a secular rise in the number of people below the absolute poverty line, and a worsening of the relative poverty situation manifested in a rising *gini-coefficient* of income distribution. Khan thus looks beyond the averages as it were, and goes on to dissect the dynamics of the *inequalising growth* which has characterised Bangladesh's economic performance for all the years of her existence.

Khan undertakes the task of locating the origins of the unequalising growth. He looks at the structural changes in the economy both as a contributing factor and also as the end result of a particular growth process. The declining share of agriculture in GDP was not matched by corresponding rise in the share of manufacturing sector in the GDP which belies the claim by some that the 1990s was witnessing the beginning process of structural shift in the economy. In this context Khan rightly points out that an increasing share of the service sector in the GDP was a trend which was indeed common to many developing countries. However, what was often ignored but remained a critically important factor of economic growth was that only a modern service sector had the capacity to stimulate growth process. This was more so in an era of speedy globalisation, a necessary ingredient which was not always given due recognition in the policy design.

The analysis of savings and investment presented by Khan helps to explain many of the endemic weaknesses which continue to haunt Bangladesh's growth process. Investment level in 1997/98, at 14.0% of GDP, failed to attain even the levels achieved in 1980/81 which stood at 16.0% of GDP. Of interest here is historical compari-

sons drawn by Khan. Although investment averaged only 11.6% of GDP in 1965-70, the domestic savings component of this constituted about 8.4%, a level which was higher than the 7.6% registered in 1997/98. The national savings rate, at 12.1% of GDP, was below the South Asian average of 17%. Khan also questions the methodology of estimating the public savings and observes in this context that the surplus on the revenue budget was less than what is officially claimed. Khan's analysis once again draws attention to

attempts to explain the underlying factors which inform the nature of this relationship as it is manifested through empirical evidence.

Sen's point of departure is positioned on two basic premises: (a) when a country starts with initial high inequality, growth suffers and (b) when a growth process is accompanied by increasing inequality, growth suffers. A logical corollary of these two hypotheses is that since countries such as Bangladesh were burdened with a legacy of initial inequality, the possibility of attaining higher growth rates would critically hinge on whether growth itself was equalising or unequalising.

Sen decomposes the poverty trends into *growth effect* and *inequality effect* and looks at how the two conflicting forces, the *push effect* (in the sense that growth pulls poverty level down) and the *pull effects* (in the sense that inequality pushes it up) have impacted on the poverty situation in Bangladesh over the years. Sen also attacks the *trickle down hypothesis* by emphasising that there are limits to the capacity of growth in reducing poverty.

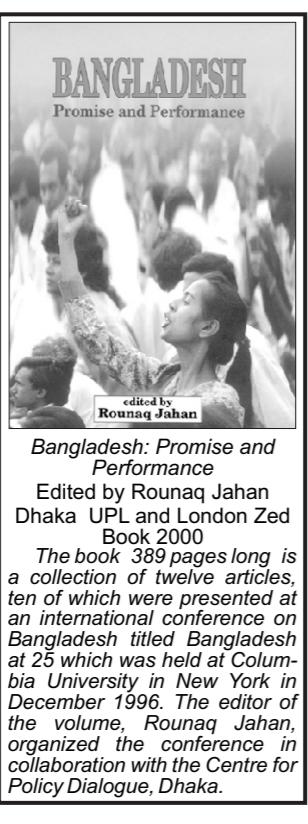
Sen's analysis shows that most of the reduction in poverty level was restricted to the decade preceding 1983/84. Since the mid-1980s the trends had been relatively uneven: between 1985-91 poverty had indeed increased, subsequent to which the country experienced some insignificant reductions in the poverty level. Analysis presented by Sen shows a number of interesting features in this regard: almost the entire drop in national poverty was due to gains accrued to the urban poor and the relative progress in poverty was achieved without any tangible decline in extreme poverty. As a matter of fact, in particular years the incidence of extreme poverty had indeed gone up.

In his article Sen attempts to relate the causal links which impact on the poverty trends. Poverty measures are decomposed into *growth effect* and *inequality effect* and Sen finds that it is not only the growth rate but also the process of growth which is important as explanatory variables in poverty reduction. Sen shows that if all the urban consumer groups had shared equally in the urban growth, then poverty head count index between 1983/84 and 1991/92 would have actually declined by 10.8% rather than 7.3%; similarly head count index in rural areas would have been reduced by 2.4% instead of 0.9%. This section of the paper which analyses the implications of *growth elasticity of poverty on poverty reduction* is indeed extremely important from a policy perspective. An example should suffice: as Sen points out, a switch to *distributionally neutral growth* in rural areas may be expected to increase the current growth elasticity of poverty reduction (achieved under inequitable growth) from 0.6 to 1.8. This would mean that whilst a 2% rate of growth in rural mean consumption would bring the rural poverty rate down by 1.2% per year under the *inequitable* growth path, a *neutral* growth path would push it down 3.6% per year. Some food for thought for policy makers indeed!

Sen's analysis of the poverty trends in the 1990s, more specifically the evidence of slow progress in the reduction of rural poverty, increasing income inequality in urban areas (as manifested by a rise in the *gini-coefficient of concentration*) and rising rural-urban income differential, should raise serious doubts as to the efficacy of the policy reforms pursued in the 1990s. Thus, Khan's attack on the premise of the reforms is, to a large extent, validated by Sen's analysis of their impact on poverty situation in Bangladesh. Sen points out that when the initial stock of human capital is poor, capacity to translate potential gains from human development into growth possibilities becomes severely limited. In an environment of lack of market opportunities it becomes even more difficult to effectively utilise the existing human capital stock. In this context another argument put forward by Sen is perhaps very important from a policy perspective: the human development - enhancing role of growth mediated via public services depends only *marginal* on the *quantitative expansion* of social spending; it depends *primarily* on the *quality dimensions* of such services.

Sen looks at the long-term trends in poverty levels in Bangladesh and puts special emphasis on poverty dynamics in the 1990s. Sen's analysis shows that the dynamics of poverty in Bangladesh has experienced fluctuating fortunes over the last two decades. This is evidenced by nutritional intake, poverty line measures and other indicators. Sen looks at the causal relationship between growth and poverty reduction, and builds up a case favouring egalitarian growth. He examines the evolving causal relationship between growth, poverty and human development in Bangladesh and

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the fell-need in putting in place an adequate system of estimating important macro indicators in Bangladesh.

Khan contests the interpretation that the macro-economic stability experienced by Bangladesh in recent years, as phenomenon, which has received appreciation of the donor community, should be seen as something to be much excited about. One of the major causes of the sustained price stability of the recent past was largely a result of depressed demand and low impetus for economic growth. Khan's interpretation to some extent explains why such sustained stability has not got translated into high growth. In this context Khan attempts to unravel the mystery of the appreciating taka vis-à-vis the Indian rupee and asserts that this was a key to unravelling the slow economic growth of the country. This is indeed an important hypothesis which, if true, has important implications in terms of macro-economic management in Bangladesh. The short space devoted to this section of the paper does not allow the reader to have a good grasp of the algorithm of logic on which this particular hypothesis is grounded. This would have been interesting to know specifically in view of the fact that other economists have put forward different interpretations to this intriguing phenomenon.

Khan questions the foundation on which the Bangladesh's donor-driven economic reforms were premised. He argues that the sequencing of the reforms had been wrong, and that in absence of well-functioning institutions key objectives of reforms such as achieving allocative efficiency, market-driven incentives, raising level of investment etc. were doomed to fail. Not surprisingly, the end result is a negligible reduction in poverty level and a growing inequality in income distribution. Based on his own work and those with Dr. Binay Sen, Khan presents ample evidence to prove his point. Khan reemphasises the important role that the state had to play in the development process of a country such as Bangladesh. Khan graphically shows what the economy may end up with when policy makers tend to forget this, as had happened in Bangladesh. In order for a broad-based sharing of benefits of growth to be possible, the state must play an important role, a prerequisite which current reforms had failed to take into due cognisance. The next article by Dr. Sen takes the issue further by presenting an anatomy of the growth process from a poverty perspective.

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Angels and Demons

Bangladeshi-Australian writer Adib Khan's third novel The Storyteller launched

By Annie Greet



The author: Adib Khan

I There had evolved the global equivalent of an Olympic contest in literature, Adib Khan's third novel, *The Storyteller*, by Adib Khan, Flamingo, \$20.85, could be confident of winning gold in an impressive number of areas. True, I was reading the closing pages when the room began to shake and I was overwhelmed by the impression that an earthquake had hit Melbourne - as it had - but it was entirely appropriate, the lasting impact of the novel being that its brilliance lies in the many dimensions that Khan has wrestled with, and powerfully won over.

The storyteller of the title is Vamana, a grotesque dwarf living in his native Delhi. His origin is obscure, his painful childhood propelling him into his first act of survival which is to leave his adoptive parents and seek out other misfits. But this is not a novel about dwarfs or misfits, although it reads consistently as such if that is the reader's interest. One great achievement of the novel is that, in his focus on extreme ugliness and perversion, the antithesis of our fancied "norm" for the human condition, Khan pinpoints the sad, twisted nature of the species as a whole.

Vamana is a metaphor, a reminder of our creative natures and an indictment on how we have crippled and distorted ourselves, failing our potential as human beings. Dwarfs have had an age-long fascination as mythical characters, and Vamana's wit, agility, malice and earthiness (he steals a shopfront mannequin to "love", keeping her buried in a hole he digs; his "treasure") incline the novel development as a complex fable about human existence in which the pages constantly spit out profound images of despair. Vamana lives in the bustee, a derelict area that is home to an assortment of thieves, whores and outcasts, the despised of the earth. He is a remarkable being,

who has learnt early that a person's only hope of survival in this "bruised world" is to surround himself with stories. His highly evolved intelligence and imagination transform him into a storyteller of immense power, and he manipulates not only his own world but that of others by his "lies". Unlike those who boast that we only tell the truth in fiction, Vamana exploits fiction's power to convince us of what is not true. It is on variably packaged lies that a person's only hope of survival in this "bruised world" is to surround himself with stories. His highly evolved intelligence and imagination transform him into a storyteller of immense power, and he manipulates not only his own world but that of others by his "lies". Unlike those who boast that we only tell the truth in fiction, Vamana exploits fiction's power to convince us of

Three Guys, A Girl, And a Workplace

Jahan Ara Siddiqui has probably led us to believe that it is about time that we reconsider and redefine human relationships in today's context. She has deftly avoided ideological discussions or comments in her narrative. Rather, she has depicted a real-life office situation where men indulge in guys-talk, where guys-talk spread into 'immoral' activities that portray women as nothing more than purchasable objects of sex.

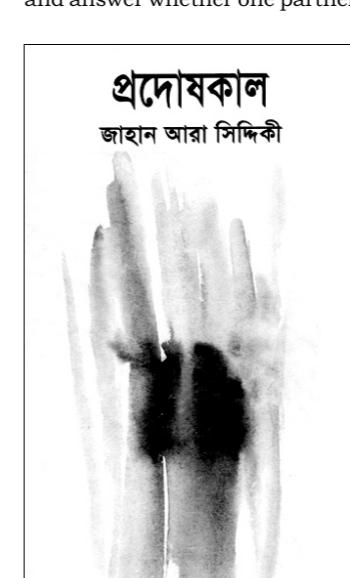
By Shamsad Mortuza

THEY say, middle age is the time when everything starts to wear out, fall out, or spread out. This is particularly true about Jahan Ara Siddiqui's recent novel *Prodoshkaal* where we find three male characters either wearing out, or falling out, or spreading out. All these three men are educated and well provided. They are married and disenchanted with their docile wives, and thereby prone to a little adventure in their love lives. On the surface, they may vary a lot in their approaches to love. In the final count, however, these three characters earn fixity as stereotypical 'male colleagues' and contribute to understanding the so-called erratic behaviour of middle aged people. No wonder, Jahan Ara Siddiqui rates hypocrisy high in their love relationship. *Prodoshkaal* (Twilight) thus appears to be an exploration of human behaviour of those who have reached their evenings of life.

All was well in the multinational company where these three guys worked: Besides being officers, Sharif not so sharif in manners though served to his natural instincts (i.e. lust), Iqbal to his spiritual instinct (i.e. religious fear), and Zafar to his intelligence (i.e. awareness of an inextricable marriage). The arrival of a self-assured beauty-with-a-brain, Banya, stirs the office-trio.

Sharif feels challenged to add another feather to his cap, Iqbal is encouraged to beat his fear of after-life punishment for adultery and get into a relationship, and Zafar is interested in seeing how his two colleagues make fool of themselves in apprehension of a non-existent mating game. The first two, disheartened a little too soon, wears out and falls out. They abandon the race but are gracious enough to air some juicy rumours about the new girl in the office. In her, the third member of the office trio finally finds a perfect match for his ego who goes for good-old-fashioned romance. Zafar finds his dream woman who, like his wife, will not spoil the party by mentioning jewelry or kids in an intimate relationship.

Put simply, *Prodoshkaal* is a survey of middle-age human behaviour in a workplace. All the characters are old enough to know life and its disappointments. One such disappointment involves failure in marriage. The author seems to ask and answer whether one partner



Prodoshkaal
By Jahan Ara Siddiqui
Dibya Prokash
July 2000, 152 pages. Tk. 100

is more to blame than the other for such a failure! She boldly points out that the wife's indifference about the husband's mental needs contributes significantly in determining the outcome.

It is not difficult to understand why Zafar is tempted to have a romantic relationship with Banya while her wife Poppy's only concern is to raise her son and beautify herself and her house with gaudy jewelry and showpieces. Banya, brought up in London, offers everything that is absent in Poppy. With her, Zafar can get into a rare intellectual conversation and enjoy the subtle things of life. She has no inhibition in speaking candidly (and honestly) about her involvement with other men while she was abroad. Still, passion runs high in Zafar as he risks his 'image,' not to mention his marriage, to be with his dream woman who, like his wife, will not spoil the party by mentioning jewelry or kids in an intimate relationship.

Surely, someone has to take the blame for the failure in marriage and its outcome. Is it only lust that makes a man an adulterer? Or is there something more to it? Jahan Ara Siddiqui seems to reaffirm the idea that marriage should be grounded on mutual respect and understanding. Poppy, though an ideal housewife, never understood the needs of her husband. Their relationship was no more than a social arrangement and a senseless routine. Banya, on the other hand, breaks the stereotypical image of an ideal chaste Bengali woman. She invites Zafar to her place for a drink. She even goes to bed with him when the time was right enough. Still, as readers, we develop a peculiar sympathy for this affair that seems quite natural between two grown-ups who are way past their adolescent fancies. Their break-up is equally logical as family ties prevail.

Jahan Ara Siddiqui has probably led us to believe that it is about time that we reconsider and redefine human relationships in today's context. She has deftly avoided ideological discussions or comments in her narrative. Rather, she has depicted a real-life office situation where men indulge in guys-talk, where guys-talk spread into 'immoral' activities that portray women as nothing more than purchasable objects of sex. Then there are the wives who are constantly deceived both physically and psychologically by their husbands yet somehow manage to find comfort in being a domestic accessory. And then there is a woman like Banya who knows to draw the line between her professional and personal life. So we are not surprised that Sharif and Iqbal cannot enter Banya's personal life while Zafar can.

Still, *Prodoshkaal*, as the watercolour in the title illustration (done by the author herself) suggests that the sun in the twilight is dim and lacks full vigour. Neither Zafar nor Banya can take arms against the sea. Like Eliot's *Prufock*, they just roll up their trousers to avoid being wet by the waves. The lovers accept what is pragmatic and prudent. The same is true for *Prodoshkaal* the novel. One hopes that Jahan Ara Siddiqui will continue to venture different avenues of human psyche in future.

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