

EC's Strong Support for LDCs

Let the US follow suit

In a welcome move that should rev up the rather flagging morale of 48 LDCs, the European Commission has decided to accord duty and quota free access of the former's products to the EU. Bangladesh stands to benefit in more ways than one in spite of the generalised nature of liberalisation offering no particular preferential advantage to any individual LDC over another. For one thing, it revalidates the duty and quota free status Bangladesh has been enjoying under the Generalised System of Preference (GSP) beyond December 31, 2001 when it will have normally expired. Our readymade garments sector in particular can feel assured of continuing business with the EU. Most importantly, the RMG sector will be in a position to expand the export list, thereby helping the garments sector to diversify--in time--for meeting the exigency in the wake of the withdrawal of MFA in 2005.

Going well beyond the RMG and shrimps sectors we should adopt an export diversification strategy with an eye to catering for the demands of the 15-country-strong EU market.

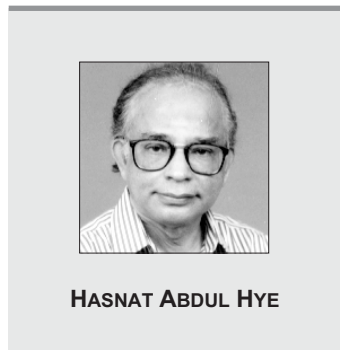
The implications of the EC's free trade dispensation for the LDCs need to be fully grasped before we are even able to plan for an optimisation of the benefits from it. Essentially the hitherto prevailing notion of preferential treatment is being replaced by the more down-to-earth principle of free trade based on open competition. The quality and pricing of Bangladeshi products will be pitted against those offered by other LDC countries dealing in similar items. Unless we attain a competitive edge over our export rivals through industrial efficiency, effective waste-control measures, steady power supply and dynamism at the ports our hopes for a markedly expanded export market will be dashed.

Free trade does not mean licentious trade. With the grant of duty and quota free access we must be prepared to accept tighter import monitoring safeguards from the EC. They will be doubly serious about rules of origin and prevention of fraudulent practices. Bangladeshi exporters should maintain their goodwill at any cost.

On a broader plane, taking cue from the EC's opening up to the LDCs on such a scale, it is expected the United States will remove quota restrictions on certain categories of garments from Bangladesh with duty free access accorded to them as well. Let the new US Administration give duty and quota free access to Bangladeshi products based on a precedent which the Clinton presidency has left by offering it to some countries anyway.

Our plaudits to the EC on its having broken a new ground for the LDCs well in time for the UN conference on the least developed countries due in May and the forthcoming negotiations in the World Trading Organisation (WTO). Trade, we can hardly forget, is a few times more powerful than foreign assistance in terms of accelerating growth in developing countries.

Illiberal liberals



HASNAT ABDUL HYE

This time the battle lines were drawn inside the boardroom of WTO and not on the "mean street" outside. Locking their horns were two groups of members of the world trade body without an amorphous crowd egging either party on. The European Union's proposals to further reform global agricultural trade first submitted three months ago were presented at a meeting last week. On the face of it, the proposals looked innocuous run-of-the-mill types exuding good intentions. The WTO meeting was part of the preparation for a full stocktaking of all proposals for overall farm trade liberalisation, set to take place at the end of March this year. The farm talks are running in parallel with discussion on further reform of global trade in services. These twin processes were set into the WTO agenda at the end of 1986-93 Uruguay Round of liberalisation negotiations. But the two sets of liberalisation proposals have no target date for completion and they could drag on for years unless incorporated into a new round covering wide ranging items in world trade. Developing countries which make up the majority of the 140 members of WTO have so far resisted a new round demanding weightage to their participation in key decision-making including setting of agenda. The general feeling of being left out from the inner sanctum of power in the world body has ruffled the sentiments of many and undermined their enthusi-

asm for a new round. The EU proposal on farm trade liberalisation is purportedly designed to break the logjam and nudge developing countries to start the negotiation process. The EU stand is that, if all liberalisation proposals cannot be grouped together into an agenda for the new round, negotiations can be broken up according to sectors. The EU proposals are so far, so practical. But there is more to the proposals than meet the eyes. In these proposals the developing countries are being asked to open their markets

committee on agriculture, would in effect allow EU to export at subsidised prices while their farm sectors would face unequal and unfair competition. The result would be disastrous for their predominantly agrarian economies. They were not convinced by EU arguments that the proposed trade reform would create a 'win-win' situation for rich and poor countries alike. It is an old debate heard at many forums before. The one that took place inside the World Bank and IMF involving their staff is the most celebrated one both because of its

grata, Stiglitz resigned well before the expiry of his first term in the Bank. Nick Stern, who has succeeded him, surprisingly echoes some of his heretical views albeit from a different perspective. Unabashed in criticising rich countries for their protectionism especially in agriculture, he has called protectionism "a rip-off of the rich country taxpayers and intensely damaging to the poor of the world." As for development in poorer countries, his visions, like his criticisms, are the obverse of those of his

found receptive ears in many developing countries. In this respect Stiglitz made his successor's job easier because his passionate opposition to the Washington Consensus has proved to be a foil for Stern's more inclusive approach. In his first few months, Stern tested his ideas on development, poverty reduction and liberalisation with some of the Bank's bigger clients including Brazil, Argentina, South Africa, India and Indonesia. He saw the challenge and the benefit of winning the support of these major developing countries since their

economic diplomacy that Mr Stern has embarked on. Realisation of free trade has stumbled in no small degree before vacillation and subtle excuses from the developed countries. World Bank's own research shows how the Quad's recent effort to cut some of the steepest tariffs that the poorest countries face (close to 100 per cent) will not make much of a dent to the problem since non-tariff barriers against poor countries' exports can be just as restrictive. The challenge, according to Stern, lies in influencing the political will. To do this his office has started collecting data and spreading information, which he hopes, will disabuse rich-world fears of liberalisation and convince them about the benefit of free trade. For the first time, the research wing of the Bank has started calculating the cost to poor countries of tariffs, anti-dumping duties and non-tariff barriers in rich countries' markets. It has shown that scrapping peak tariffs could lead to an increase of US\$2.5 billion worth of exports from least developed countries. This increase in imports would hardly faze competition in the Quad but will register an 11 per cent improvement for the exporting poor countries. If the rest of the world is included in this liberalisation process and other barriers like country-of-origin rules are considered (particularly for textiles) the potential gain to the poor countries could be US\$100 billion a year.

The EU's proposals for farm trade liberalisation submitted to the WTO is glaringly one sided. These call for reforms by the poor countries while maintaining by the highly subsidised farm sector in the EU market. What is more disappointing is that the EU proposals are not based on any cost-benefit calculation for the poor countries and for world trade in general. By undertaking studies and making such estimates the World Bank has blazed a trail. But this is only the groundwork. The developed countries have to accept the findings and take appropriate actions. They have to liberalise themselves just as they ask others to liberalise.

IN MY VIEW

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for farm products, while keeping their high level of subsidies on agricultural products intact. EU's proposals for liberalisation of farm trade by the developing countries are not matched or even linked as a token, by liberalisation of farm sector in their member countries. Under the circumstances liberalisation of farm trade will place the farm sector of the developing in a disadvantageous position. In spite of having comparative advantage over a large number of products the developing countries farmers will fail to compete with their European counterpart because of continued protection enjoyed by them through subsidy. It was, therefore, no surprise that no sooner were the EU proposals presented in the meeting than these were opposed by India and Pakistan backed by African and Latin American countries. The alliance of developing countries argued that the EU proposals, one of 17 pending before the WTO's

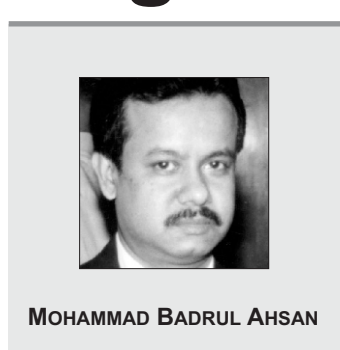
origin and the various impact it had on the fortunes of individuals and the policies of the institution they worked for. A few years ago Joseph Stiglitz, the former chief economist of the Bank, broke ranks with his colleagues in the Bank and the IMF and criticised what had by then become a holy gospel, the "Washington Consensus." He did not agree with the thrust of the Consensus that macro-economic stabilisation and trade liberalisation were ends in themselves. Instead Mr Stiglitz believed that there were three by-products of feasible economic conditions that should be pursued as goals through policy changes: democracy, sustainability and equality. These goals had only tenuous links with macro-economic reforms and trade liberalisation, two pillars of the "Washington Consensus." In propagating his conviction and spreading his views he stepped on many toes in Washington. Being declared unofficially a persona non-

predecessor. The buzzwords favoured by him are opportunity, empowerment and equality. These he argues will reduce poverty. Being more or less the same as democracy, sustainability and equality in effect, it is not difficult to see that these will promote significantly Stiglitz's wished-for objectives too. But democracy, sustainability and equality do not appear to Stern as pre-conditions for the attainment of the process he holds important, consisting of opportunity, empowerment and safety. Thus linking the goals enunciated by Stiglitz to a set of means the new chief economist of the World Bank has cleverly elaborated the model his predecessor prescribed for the developing countries. His views constitute a continuation rather than a departure from the past.

By making the argument on trade liberalisation to stand on its head and focussing on protectionism by the rich countries, Stern has already

leaders and the public opinion were openly against the Bank's prescriptions for reform, at least in the short run. It also seems that his focussing on the big developing countries was a deliberate and careful move. Since the four dominant powers of America, Canada, Japan and Europe, known as Quad, failed to show leadership at the trade summit in Seattle in 1999, Stern appears to want a new group of countries to take the lead in multi-lateral trade negotiation. What better strategy there could be than emphasising with a select member of major developing countries agreeing on their causes for grievances. To prove his credentials and sincerity to them Stern emphasised the opening of the Quad's market as the key to overall trade liberalisation and to a new round at the WTO. If he asks the developing countries subsequently to do the same they will have little reason to grumble. It is not a gamble, but a fine piece of

Rags to riches



MOHAMMAD BADRUL AHSAN

TOKAI Sheilla. Tokai Jahangir. Tokai Sagar. The humbleness of their title is in stark contrast with the haughtiness of their terror. They are the fuhrers of fast track, mandarins of mischief, venture capitalists of violence. They rose from pavements to pillars of the underworld -- the scavenger-hunting bunch, which ascended to the soaring heights of power and affluence through murder, extortion and violence.

They are also the unmistakable faces of our times. Like medieval knights serving their feudal superiors, these tokais work for our politicians. But unlike those knights they come of ignoble birth and undertake chivalry in its limited scope. Never doubt that they are courageous men, but generosity and courtesy are not their true strengths.

There is no secret to their reversal of fortune. Their lives are open books; how they turn from paupers of dire needs to princes of darkness is anybody's guess. They create a reign of terror through death and

destruction, and then rest of the story is common sense. They collect tolls for giving protection to everything from construction to prostitution. Many of them sell arms, act as drug runners, and are the carrying and forwarding agents for smugglers. Others are involved in gambling, racketeering, loan-sharking, and human trafficking.

The most grievous thing about these tokais is that they beat the rest of us on the bottom line. In a world where the whole spectrum of human activities rotates around money,

Organised crime is when hardened crime becomes an impulse by itself. Crime originates in the Dickensian anxiety of a society, whereas organised crime is when that anxiety turns into a perverse passion. The Mafia arose in Sicily during the late Middle Ages, where it possibly began as a secret organisation dedicated to overthrowing the rule of the various foreign conquerors of the island -- e.g. Saracens, Normans, and Spaniards. Initially the Mafia owed its origins and drew its members from the many small private armies

The amazing success of the tokais also indicates a similar reversal of semiotics. If politicians exploit tokais to further their fortunes, why shouldn't the tokais exploit politicians to further their own fortunes? If the politicians resort to crime, the criminals resort to politics. Thus the shift from crime to organised crime is mainly the result of an unholy alliance between politicians and criminal masterminds. The tokais are merely the intermediaries of a complex network of mischievous enterprises set up for the purpose of

And how did organised crime become more organised? They became more pervasive, ruthless and desperate, spending large sums of money to gain political influence on both local and national levels to prevent interference by the police and the courts. Furthermore, profits from various illegal enterprises were invested in legitimate business, which would become facades for their illegitimate operations.

More than anything, the tokais are the props, which keep erect

were not cherished by our own virtues. In so much as criminals commit their crimes, they are driven by their instincts. But organised criminals control those instincts with intellect. And when intelligent people give them a hand, the end is always a disaster. The fast track, the shortcut, the impatience and the intolerance are means of that disaster, not its end. And the danger of it is that this disaster is permeating our instincts and intellect.

Every crime happens twice: once when it's committed, and again when it's condoned. A Colombian general has been convicted last week, because he had stood by doing nothing when assassins slashed the throats of suspected leftist sympathisers in 1997 in a remote airport of the country. In another case, a former member of the Lithuanian police has been convicted for handing over Jews to German death squads more than half a century ago. Each of these instances shows how the accused was guilty even though he hadn't killed anybody.

By that standard, all of us are guilty of being the bystanders of an unrelenting crime scene. The nouveau riche tokais are only the loud reminders of how unrepentantly we have been witnessing the progress of crime. Meanwhile, if they are getting rich, we don't want to envy them. At least when they go to jail or get killed, there is a chance that they may be doing penance for adopting criminal means to go from rags to riches. What about us who are watching everything, and doing nothing? Perhaps we shall burn in hell for not knowing that answer.

CROSS TALK

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they are many notches above most of us. According to one newspaper, Tokai Sheilla takes home in a day what most of us don't make in years. He lives in an enviable style in a respectable neighbourhood and bears no sign of how he had once started it all on the streets. He has his squad of soldiers to fight for him, and keeps police and politicians on his payroll.

They are the carpetbaggers, who mark the transformation of our society from ordinary crime to organized crime. French playwright Pierre Corneille said that a great impulse was never a crime. Crime is born when that impulse is hardened.

hired by absentee landlords to protect their landed estates.

But the same Mafia degenerated during the 18th and 19th centuries, when the energetic ruffians in these private armies organised themselves and turned against the landowners to extort money from them in return for protecting their crops. The patriotic zeal of the Mafia mired in the peculiar system of private justice based on *omertà* -- i.e. the obligation never, under any circumstances, to apply for justice to the legal authorities and never to assist in any way in the detection of crimes committed against oneself or others.

engaging in illegal activities. But the main benefactors of this complex network are the police and the politicians. If we look at Europe and Asia, they have historically had their international rings of smugglers, jewel thieves, and drug traffickers. Sicily and Japan have centuries-old criminal organisations, but organised criminal activities operated as major industries are primarily a 20th-century phenomenon, when the repeal of the Eighteenth Amendment put an end to bootlegging in the United States, and the criminals overlords turned to other activities and became even more highly organised.

these facades in our country. They are the tin soldiers who kill and die for others, while their bosses live and thrive. A few weeks ago Tokai Jahangir died in the hands of his own men, who hacked him like a fallen log in the wee hours of one morning. The ultimate tragedy came when his mother earnestly claimed that her son wasn't a criminal. She refused to concede that her son was what had made him who he was.

Tokai Jahangir's ignominious death was a sad example of how violent life is consumed in the spiral of its own appetite. In *All's Well That Ends Well* Shakespeare tells us that our crimes would despair if they

TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR

PHOTORIAL

Readers are invited to send in exclusive pictures, colour or black and white, of editorial value, with all relevant information including date, place and significance of subject matter. Pictures received will not be returned.

Stop hazardous child labour



STAR PHOTO: ANISUR RAHMAN

Children are exposed to hazardous jobs without a second thought. This young boy is still a child but his daily chore is to make sharp instruments. The skin around his feet is thick and dark because of exposure to the forge and if he makes a single slip he runs the risk of facing a serious accident. There are many others like him. It is about time children were given a fair deal.

NGOs and politics?

The report "ADAB to intensify citizens' role against evil forces" (February 24) says that "ADAB has decided to strengthen the citizens' movement against fanaticism, communalism, terrorism and all evil forces". A misunderstanding might be created in the public mind unless certain points on the political role of the thousands of non-government organisations, both local and foreign, working in the country, are clarified by the government.

If this is a non-political 'movement' by the NGOs, with the blessings of the government, under clearly-defined official public policy, then how do we draw the line between politics and social activities? How would the politicians, political workers, political parties and agencies be involved (or not involved) when different regimes are in power? Such issues have not been publicly debated in order to evolve clearly defined guidelines, especially during this pre-election period. Will the succeeding regime follow the pattern now set by ADAB?

A Mawaz
Dhaka

Burning Middle East

With Ariel Sharon, the hard liner and wanton killer, coming to power in Israel, the possibility of a peace deal between Palestinians and Israel has receded. Mass killings may start again. Western powers created Israel in the heart of Arab lands, and

they give it protection even now. If UN sanctions can be imposed on Iraq for occupying Kuwait which it claims, why should sanctions not be imposed on Israel for forcibly occupying Arab lands?
AFM Moeenul Islam
Chittagong

Notoriety revealed

I urge you to continue publishing the ill-famed gun yielding, obnoxiously defiant picture of the public representative surrounded by his cronies, in the front page every day till he is overcome by shame, guilt and his conscience!

Tanzia Chowdhury
Dhaka

Use of airline toilet

Referring to the letter on *Washroom Etiquette* (February 16), I would suggest that a dozen replicas of the Biman airline toilet cubicle are set up in the local Haji Camp, to enable pilgrims to Makkah, especially newcomers on their first airline journey, to become familiar with modern amenities and contraptions inside washrooms. I have noticed in a regular flight some time ago how a passenger was locked inside a washroom, unable to figure out how to open the locked door from the inside. On another occasion, a lady was embarrassed because she left the door unlocked! She did not know how to lock the washroom door from the inside.

AH

Dhaka

Suburban nightmare!

We are a group of people from the so-called residential areas of Banani, Gulshan and Dhanmondi. There are many residential houses surrounded by under construction buildings, and the builders have no concern for the safety and well being of their neighbours. The builders do not follow any work ethics. As their neighbours, we are suffering due to the unbearable noise pollution created by their work, even during the night. You can imagine our suffering when brick breaking machines and concrete mixture machines, both of which use heavy motors, and rod breaking are in operation just yards from our home. When these machines are in operation, it appears that one's home is located inside a major industrial factory. Trucks are used to transport and dump indiscriminately all sorts of building materials at night on the excuse that there is a ban on the movement of trucks at night.

Workers, joined by powerful *mastans* maintained by the builders, listen to loud music and shout and sing. Another problem is dust and debris. Most builders do not bother to build screens around their work place, and people continuously suffer from both dust and other forms of falling debris, which are dangerous. We are particularly concerned that due to the above chronic disturbances, children are unable to concentrate on their studies, and people are developing

health-related problems, such as asthma and high blood pressure, which, if not checked immediately, could be fatal.

Of major concern is the damage that could happen to pregnant women and open heart surgery patients. While we appreciate the builders right to construct, they ought to respect our right to live peacefully and healthy lives.

Sufferers
Dhaka

Bombing Iraq

I am writing this letter with concern, anxiety, fear, and frustration caused by the recent air attack on Iraq by Britain and the US. The attack against Iraq is an absolute violation of human rights. I really feel disturbed and frustrated as neither the government nor the opposition has made any condemnation of the attack. By this time, neighbouring countries like Pakistan and India have done this. I am appealing to the honourable President to call an emergency meeting of the Jatiyo Sangsad and urging both the treasury and opposition to condemn this act of aggression.

The so-called civilised countries should have kept in mind that Iraq is a sovereign country and they have no right to violate its integrity. The no-fly-zone is absolutely unreasonable. It is against Iraq's sovereignty, integrity and independence.

Mejbah Uddin Ahmed (Zaman)
Rajarchar, Shibchar, Madaripur.