

Telecom expansion

The market needs more private sector participation

In a country of 130 million people, that only one per cent of the population has access to telephones, fixed or mobile, provides poignant enough an indicator of how sluggish the growth of telecommunications has been all these years. The teledensity would have been far worse, had the mobile phone operators not been allowed access to the market. Whereas the state-run Bangladesh Telegraph and Telephone Board (BTTB) has brought 650,000 people into the telecom network in 30 years or so, the private-ownership cellular phone companies have catered to more than a million subscribers in just over a decade. The writing is on the wall; in fact, it has been for quite a while: the sector has to be relieved of state control and the policy has to be conducive to private-sector participation.

Encouragingly, the Bangladesh Telecommunication Regulatory Commission (BTRC) has initiated a process to this end. The telecom watchdog has drafted a proposal that seeks prime ministerial approval for market expansion, bringing in two private operators each for land-based and mobile telephone services. The BTRC proposal has also called for legalisation of voice over Internet protocol (VoIP) or, in layman's terms, Internet telephony in phases.

The proposal, if approved, would mean an end to the BTTB monopoly over the telecom sector. Apart from the BTTB itself, many in the government are highly likely to oppose the liberalisation plan. Years of protectionism would be difficult no doubt to discard but would have to be nonetheless, primarily because the state cannot possibly finance telecom expansion to an extent that is needed now. Therefore, private investment in the sector has to be encouraged and to do that the government has to ensure a level-playing field. In other words, the BTTB has to be just another competitor, with no privilege or protection.

The government has marked out information communication technology (ICT) as a thrust sector. Without a developed telecommunication backbone, such priority attachment to ICT would mean next to nothing. With an ever-shrinking export basket, ICT promises the country a giant stride forward. Indifferent policy and administrative inertia have already left the country lagging far behind on the information superhighway. Should the government continue to be indecisive about telecom liberalisation, we may never get hold of the opportunity to forge ahead.

A justified concern

We urge the govt to pay heed to it

WE have taken note of the concern expressed by 101 citizens over what they called repression on journalists and writers.

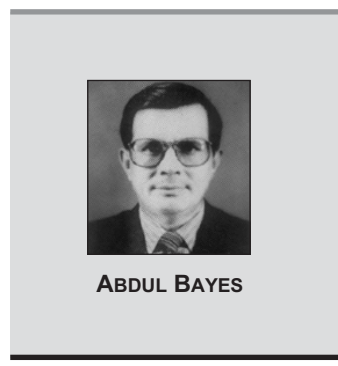
The intellectuals, by raising their voice, have exercised a moral authority to focus on an issue which has already drawn the attention of international media and human rights organisations. There may not be any well-defined basis of their authority, but we have seen time and again that intellectuals tried to exert their sobering influence whenever governmental actions impinged on standard norms.

The members of the public, however, were not impressed by the occasional trading of statements between intellectuals sitting on either side of any particular issue. That is because the men claiming to be the conscience of the nation reacted in self-opinionated ways. Questions regarding their political motive were also raised; indeed, the intellectuals have sometimes summarily dismissed what their rivals had to say.

However, at times, regardless of 'who was speaking', what was spoken of, might itself have been highly justified and substantive. We believe on this occasion the government is dealing with a case falling in that kind of a category. The point that the intellectuals have raised is no doubt justified. And the government's credibility can only go up if it pays due attention to the protests. However, perception of past events may lead us to conclude that the government may not deem it necessary to go for a careful weighing of the intellectuals' observations. But we wish they do so in the present case.

There are concerns the men at the helm can ill afford to ignore. International human rights organisations are not giving us high marks for some of the recent incidents. Furthermore, the ruling party should not be oblivious of the fact that when it was in the opposition, it looked kindly on these very international human rights organisations' criticism of the AL government on this count. At that time, the BNP was convinced that the advocates of human rights were absolutely right. It is now BNP's turn to prove that it is willing to demonstrate the same spirit and judge the situation objectively, without allowing its vision to be blurred by political expediencies. We would like to point out that even if political goals are what the government is pursuing, it could only gain in public image by upholding the principles of justice and fair play. The need is to look at the issue through a prism not tainted with political bias.

Rice and rice market: Present and future



ABDUL BAYES

RICE remains the most important staple food crop in developing countries and also in humid tropics across the globe. Asia's reliance on rice dates back to centuries. About 90 per cent of the world's rice production and consumption tend to take place in the continent of Asia (30 per cent in South Asia). Surprisingly, so much rice is being produced on small and marginal farms and in countries confronted with extreme population pressure and acute shortage of land resources. Not long ago, the production of this perennial crop purportedly low yield and failed to feed the hungry millions. Famines and starvation all that gripped us in the past decades used to be added to poor production of rice (although famine and starvation can also prevail in prosperity). It was not until the release of IR8 -- the first miracle rice under the aegis of Green Revolution -- that rice production marched fast ahead of population growth. During the last 33 years or so from 1968 to 2001-rice production rose by 2.3 per cent per year and four-fifths of the increase in production came from the increase in yield.

While we all eat rice regularly (and also rise on feet to raise voice against the rise in the price of rice), we seem to know very little about its demand and supply situations in a global context. The price of ignorance could be heavy in the face of politics being dominated by the rice prices in many countries of the world, including Bangladesh. And to this effect allow me to draw upon a recent paper: "Global Rice Market: Trends and Perspective" (by Dr. Mahabub Hossain and Josephine Narciso of IIRRI) which delved deep into the dynamics of rice production, consumption and trade, both domestic and international.

Powerful price

As mentioned before, in Asia particularly, rice is mostly grown on family farms. The average farm size is reported to be less than half a hectare in China, Indonesian Java and the Red River Delta in Vietnam. It is a little bit higher (less than one ha.) in Bangladesh, eastern India and the Mekong River Delta in Vietnam and one to two ha. in other countries of Asia. But in Thailand, Myanmar, Cambodia and northern India, the average farm size is above two ha.,

However, the instruments include, inter alia, subsidies and taxes on inputs and outputs, control on international trade (in India only State Trading Enterprise can import rice) and participation in marketing through procurement and distribution of grains (as in Bangladesh). There is also economic imperatives in attaining rice self-sufficiency: lack of foreign exchange to import huge quantity when needed, risks in procurement when price is highly

acceptable (and possibly prestigious) than through direct transfers or remittances to poor relatives engaged in farming in rural areas (no beggar thy neighbour policy!). Besides all the arguments shown, there is also a management issue. Unlike in developed countries where farmers form a tiny proportion of population and hence direct transfers by the government to farmers is not a difficult proposition, farmers constitute a large propor-

tion in developing countries making direct transfers disdainfully difficult task. The price mechanism can easily connect consumers and producers through the control in the market.

of the effect of natural calamities -- droughts, typhoons and floods -- on domestic production. For example, Bangladesh's import of rice rose significantly following the devastating floods of 1998. Indonesia and the Philippines imported huge quantity of rice from the international market following drought from El Niño weather disturbances that drastically dwindled domestic production. But a steady growth of imports could be evidence in the

International prices of rice

The price of rice in the world market has remained volatile and depicted a declining trend when adjusted for inflation. For example, the nominal FOB price of milled rice (5 per cent broken) quoted in Bangkok has reportedly, declined from USD 204 in 1967-68 to USD 173 in 2001 -- a decline of 15 per cent. Whereas within the same period, the wheat price increased from USD 60 to 162 and Maize price from USD 50 to USD 90. The inflation-adjusted decline in rice prices was more than 50 per cent. The peak of price could be observed in 1972-74 -- a period of oil price hike -- and a sharp fall in 1980-85 and during 1996-2001. The decline in prices during 1980s was due to rapid increase in rice production in China and the 30 per cent devaluation of the Baht (Thai currency). Besides, the surge in rice output in many countries following self-sufficiency programmes by national governments and the decline in unit costs of production following technological progress also contributed to the decline in rice prices.

What in the future?

We have discussed the present global production and size of the international rice market. It would be interesting to see how the market behaves in the future. All would, of course, depend on consumption and production pattern in the fast changing world. After all, rice is a luxury item at a very low level of income when meeting energy requirement remains a grave concern. As income goes up households substitute low cost sources of energy such as coarse grains, cassava and sweet potato for rice (called substitution effect). And then up the income scale, rice becomes an inferior goods -- people prefer high cost quality food with more protein, vitamins such as vegetables, bread, fish and meat. We shall hope to address this issue in a separate installment in future.

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BENEATH THE SURFACE

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possibly, pointing to their comparative advantage in rice production.

A typical Asian farmer plants rice mainly to feed own family (called subsistence farming) and there is very little concern and striving on their part to generate marketable surplus. Thus, in the face of natural hazards wide variation in the thin surplus causes prices to swing swiftly and significantly. Both domestic and international rice markets thus fall prey to instability. Another factor also works behind autarkic rice production. Rice has long been considered as 'super' sensitive and strategically important item by every government (including that of Bangladesh) who counts on courting in self-sufficiency in rice production and maintaining stable rice prices for consumers. The reason is quite simple: it is the single most important element in the dietary basket of the poor and an important source of income for farmers -- generally observed to be politically powerful. (In some developed countries, politicians are just pawns in the hands of the farmers but in developing countries the reverse seems to hold true). There is a saying that when rice price is right, power is right and when rice price is wrong, power is gone. Hence every government attempts to intervene in the market during sharp swings in prices.

The instruments of such interventions vary across countries in response to the gravity of the situa-

tion in developing countries making direct transfers disdainfully difficult task. The price mechanism can easily connect consumers and producers through the control in the market.

Richly rice

It is not, however, true to say that only poor countries aim at self-sufficiency in rice production. Middle and high income Asian countries -- with no financial constraint to manage funds for financing imports and even with low cost sources at door steps -- promise to protect respective rice farmers. They think that if rice cultivation is abandoned for whatever reasons, the farming infrastructure e.g. irrigation and drainage facilities etc would vanish away and would not be possible to recoup if a reversing to rice is called for.

South Korea and Japan hold up interesting arguments for augmenting their support to rice farmers. According to their view: (a) Agriculture is a multifunctional occupation and rice farming, besides supplying food and fodder, goes to provide many other external benefits to the society. (b) At high income levels, urban consumers complain less about high prices to support relatively low income farmers because rice bill constitutes a small proportion of their total food bill and much smaller to total income. (c) The support to farmers through price mechanism sounds socially more

Thin market

Subsistence farming, self-sufficiency paradigm and subsidy in some countries -- all contributed to the thinness of international rice market. Only 6 per cent of world's rice production is currently traded internationally compared to wheat (18 per cent) and coarse grain (about 12 per cent). However, over the last three decades, the global market has expanded rapidly. Average yearly import of rice increased from about 8 million tons (4 per cent of production) in 1968-70 to about 25 million tons in 1998-2000. The growth rate is 3.8 per cent compared to production growth rate of 2.3 per cent per annum. The value of global rice trade is USD 9 billion of which three-fourths accrue to developing countries and one-third to Africa and West Asia.

Market players

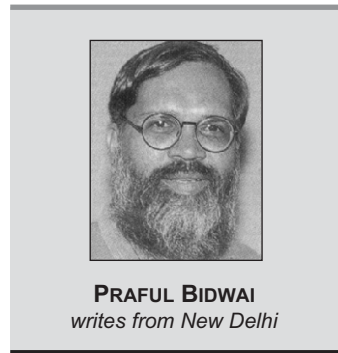
Many of the importers of rice reside in South and Southeast Asia, the heart land of rice production. For example, in South and Southeast Asia, major importers are: Indonesia, Bangladesh, the Philippines, Malaysia, Japan and Singapore. However, the intensity of imports by these countries is largely a function

case of Middle East (Iran, Iraq, Saudi Arabia, UAE and Turkey), western and southern Africa (Nigeria, Senegal, South Africa, Sierra Leone, Madagascar, Guinea and Benin) and Latin America (Brazil, Mexico, Cuba, Haiti, and the Dominican Republic).

On the other hand, the major rice exporting countries are: Thailand, Vietnam, India, the USA, China, Pakistan, Australia, Italy, Argentina, Egypt and Spain. The export market is concentrated (an oligopolistic market) as the first five countries account for three-fourths of total exports and Thailand alone accounts for remaining one-third of total exports. It may be mentioned here that few decades back, Myanmar and Cambodia emerged as major exporters (before Green Revolution in the 1960s) but soon subsided following civil disturbances, slow growth in production and fragile marketing infrastructure. These countries, of course, have unused capacities for expanding supply in the market. India, Argentina, Uruguay and Guyana have increased exports substantially in the recent past. In 2002, exports from India has increased substantially making it the second largest exporter after Thailand (India has huge subsidy on rice exports -- a fact rarely recognized when we talk about comparative advantage of India in rice production!).

The share of South and Southeast Asia in total rice imports was

POTA's first trial: Justice, yes; vengeance, no



PRAFUL BIDWAI
writes from New Delhi

BJP spokesman V.K. Malhotra wants "action" taken under the Prevention of Terrorism Act (POTA) against those who protest the death sentences awarded in the Parliament attack case.

According to him, "human rights are only for human beings". In other words, criminals are sub-human; they can be eliminated -- like the Jews in Nazi Germany.

The BJP national executive has virtually equated human rights activists with "private terror" group. Clearly, Hinduva supporters think that human rights are a disease; their defenders are unconcerned about national security.

Nothing could be falsier. Human rights are indispensable and universal. They apply to everybody -- citizens, soldiers, police, prisoners, even those accused of terrorism.

Human rights are about the integrity and dignity of the individual, the unit of democracy. They aren't bestowed upon people. They are inherent, intrinsic to human beings. Without them, the political system

would lose legitimacy and the nation its meaning. Tyranny would prevail. Violating rights to "fight terrorism" creates new injustices. Indeed, defending them is especially vital in extraordinary circumstances like a communal carnage, war or terrorist attack. The litmus test of how civilised a society is lies in how committedly it defends human rights while punishing wrong-doing.

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In a death penalty, miscarriage of justice has irreversible consequences. More than 30 people executed in the US in recent years were later found innocent. In India too, a trial court sentenced 26 to death for Rajiv Gandhi's assassination. The Supreme Court acquitted 19 and commuted the sentences of another three.

We must not let "anti-terrorism" hysteria get the better of the law -- and human rights. Vengeance is not justice.

By this criterion, the judgment in India's first POTA case is flawed. Judge Dhingra pronounced the harshest possible punishment, death, upon S.A.R. Geelani, Shaukat Hussain Guru and Mohamad Afzal -- without establishing their direct culpability for the Parliament attack. He held that those who conspire against the state are as guilty as those who actually commit a crime.

The verdict is based on questionable procedures and faulty evidence. It will be seen the world over not as proof of POTA's fairness or efficacy, but of its excesses.

None of the four accused was convicted for being a member of a terrorist organisation or actually participating in an armed attack. They were accused of aiding terror-

ists. Even on the judge's evidence, Geelani was peripheral to the conspiracy compared to Guru and Afzal. Yet, all three were sentenced to death.

Afsan Guru was given five years for concealment of information regarding conspiracy to "wage war" against the state. This is tantamount to punishing her for being married to an accused -- although the hus-

band-wife relationship is a "privileged" one, and neither is fairly expected to inform on the other.

The verdict is flawed on other counts too: It violates a specific Delhi High Court ruling against admitting telephone-call intercepts as evidence under POTA. This is not a technical or procedural matter. Without the phone records, the Prosecution's case would collapse.

Mr Dhingra substituted evidence beyond what the Prosecution proved. Police accounts of the sequence of arrests of the "conspirators" were contradictory. If Geelani was arrested at 10 a.m. on December 15, as claimed, then he couldn't have given information leading to

Guru's arrest at 8 a.m. that day in Kashmir! Mr Dhingra "resolves" this by baselessly asserting that Geelani was arrested on December 14!

He also reconciles technological impossibilities -- of two different cellphones having the same IMEA identity. Mr Dhingra was reprimanded by the Supreme Court in the 1997 Kalpnath Rai

case for relying on material not on record.

The judgment says the police traced Geelani through a cellphone company before arresting him. But the company's first letter to them was sent two days after Geelani's arrest! Mr Dhingra also ignores the fact that cellphones were tampered with in police custody. There was no proper authorisation for the interception, which came 18 days later!

The judge overruled many legal mandates. The amended Evidence Act forbids reliance on computer printouts unless authenticated by someone who regularly operates the concerned machine. The Prosecution provided no such authenti-

cation. But Mr Dhingra admitted cellphone-printouts as evidence.

He relied on the confession of an accused against a co-accused -- explicitly barred by POTA. He admitted a television interview as evidence. This interview -- with Afzal, by select journalists -- wasn't voluntary, but organised by the police. It was selectively

used. The verdict invents the identity and date of purchase of Afzal's cellphone (98114.89429). According to the dealer, he sold the instrument and its SIM card to Afzal on December 4. But cellphone records show them to have been in use since November 6. Mr Dhingra infers, without evidence, that the dealer must have sold Afzal another SIM card!

Clearly, Mr Dhingra was over-zealous, perhaps because he wanted to "deter" terrorism through harsh punishment. He invoked "the rarest of rare" phraseology to describe the Parliament attack -- to impose the "the rarest of rare" penalties: death. The trial, the verdict, and POTA,

all fall short of international standards. Already, the recent refusal of numerous deportation requests has cast a shadow on the evidentiary standards of India's justice delivery system.

The super-fast-track trial was accompanied by prejudicial media coverage. The police leaked selective information damning the accused. There were intemperate political statements on terrorism's "special" links with Islam. The crowning ignominy was the broadcasting of a Zee telefilm, based on the premise that the accused were guilty -- before trial!

Conscientious citizens must greatly worry about the "deterrent" rationale of the death sentence. Evidence from the world over proves capital punishment doesn't deter crime.

Fundamentally, the death penalty sits ill with the right to life. Nobody has the right to take away what they haven't given. Morally, it is wrong to aim to kill a human being. That's exactly what terrorist do.

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Praful Bidwai is an eminent Indian columnist.

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

"Jail sets sight on topping govt"

It is rather baffling why certain politicians make comments like 'mid-term election' when the political party in power is elected by the people. Votes and election are not property of the politicians. I refer to your report on, 'Jail sets sight on topping govt' (December 29). The main opposition Awami League is always in a state of flux, much of which is undesirable. To an outsider, Awami League seems to be in a constant state of war. Somebody should remind these people that the war is over, we won and now it is time to build the nation selflessly. Bangladesh is over 30 years old. How much longer should we have to wait before we see some sanity in the political circles? AA California, USA

"Road Link with Burma"

The Daily Star has printed a letter ("Road Links with Burma", December 30) by an alert reader expressing foreboding over the plans for road links with lawless Burma. I agree with him, Burma is an unstable and brutal dictatorship. We should shun their company, not try to build links so that we can import their problems. I have the same feelings towards the Chinese. That China is a mortal threat to our country's livelihood, the RMG industry, is not why I dislike them. Nor do I feel any rancour about the dumping of cheap Chinese goods in our market, after all the Indians already do that. What I do dislike is the fact that China is a brutal, communist dictatorship. Their government controls every aspect of their citizen's lives; permission has to be taken to live in

the cities! Poor peasants are oppressed by rapacious communist party cadres. Dissent and free speech are stamped out with impunity. Free Taiwan is threatened and bullied for desiring freedom and liberty. Neighbouring countries like the Philippines are threatened by a vastly superior Chinese navy. The Chinese also propped up the mad hatter nation of North Korea which is now threatening the stability of East Asia. The PLA supplies missile technology to rogue nations. The list goes on and on. Rather than trying to cosy up to a nation with no freedom, liberty, human rights or free speech, we should look elsewhere for inspiration. America and Europe should be ashamed that they are also trying to mollify this threatening giant. We should not join their company. Instead we should build closer links to Europe and the US, they are our

markets and far better inspiration for our democracy than Red China. Riki Dhaka Save Dhanmondi Once a beautiful residential area Dhanmondi has turned into almost a slum and we all are responsible for this deterioration. There is a mushrooming growth of dazzling shopping complexes in Dhanmondi, especially on the Mirpur Road creating perpetual traffic jam and destroying the residential image of the area. One would be astonished to find so many shopping complexes in one area. Have the Government declared Dhanmondi as a shopping zone? And why are there so many schools in this area? Every morning during the school hour and when the school is over there creates a dead-lock situation on the roads making the commuter's life living hell.

And what about the apartment complexes? In almost every lane and by-lane in Dhanmondi, one would notice construction material kept piled on the roadside or on pavements creating hindrance for the passers by and acting as an excellent breeding place for the mosquitoes. Often we come across the news of high-rise buildings being built violating Rajuk building code, of course with the connivance of some corrupt officials. As if some vested quarter has been hell bent upon destroying Dhanmondi. But we have to save this area. Save it for the sake of ourselves, for the next generation and for the nation as a whole. We have to get rid of the reputation of Dhaka being considered as one of the most polluted cities in the world. Rubeya Rahim Dhanmondi, Dhaka Tinni murder

Every time I come across the report on Tinni murder, I wonder how incompetent our police force is. It's been quite a while since the murder took place yet the police failed to catch the main suspect Golam Faruk Ovi, a Jatiya Party MP. After disclosing of the intimate relation of Ovi and Tinni, it is only natural for the law enforcing agency to arrest Ovi and find out whether he is guilty of the charge or not. But all the police are interested in is quiz for hours different actors and actresses acquainted to the deceased. Why this wastage of time? Is it only to shield Ovi? Is an MP so powerful that he can get away with murder charge? What are the army doing in this regard? Do they plan to overlook the powerful while trying to curb crimes? But I am mostly irritated at our press and the way they have dealt with the issue. All the press was interested in is highlighting the juicy

part of the Model's life. How ambitious she was, how reckless was her lifestyle, how many male friends she had, so on and so forth. Aren't the duty of the newsmen in this case is to do investigative reporting and help find out the culprit? Why did they fail so miserably in their task? Sayma Khan Banani, Dhaka Civic rule Hats off to the Government for taking bold steps in extricating the use of non-biodegradable polythene bags from the country! The drive towards hassle-free roads and uncluttered traffic condition is yet to show its fullest potential. However, this is just the beginning. We do hope this time the authorities concerned would show their concerns in some other areas as well like implementing civic rules in public places. We, Bangladeshis seriously lack

a very crucial thing called civic sense, which is very unfortunate. We tend to spit here and there, especially where people are walking around; we trash the garbage far away from the dustbins, and leave the banana peels on the pavements! I don't understand why we are not including such topics like 'manners to grow on', hygiene sense and civic sense in our children's textbooks. This could really help instilling the sense of good manners and bad manners into our society. Countries like Singapore have stern civic rules like fines for not flushing the public toilet and fines for littering. We however, also have some civic rules, although not similar and of lesser degree. But why are we so hesitant in implementing them? Umana Anjalin Dhaka