

2002 – the year that was

PROF ABDUL MANNAN

THE year 2002 has come to an end. The world is one year older. So are we -- the mortals. It has been an eventful year. Unfortunately the events of the year have been more full of sorrow and grief than joy and happiness. The events in Palestine have again exposed the vulnerability and helplessness of the poor Palestinians in their own homeland. The suicide bombing of innocent civilians in this region no doubt is the outcome of this shameful state of affairs. Peace in the Middle East has been so illusive for such a long time now that it seems any kind of peace respecting the inherent birth rights of the Palestinians has become a remote possibility. The threat of another devastating hi-tech war is looming not only in the Middle East but on the entire mankind as well.

The collapse of once mighty Soviet Empire resulted in the emergence of United States as the guardian angel of the free world. Unfortunately, because of its controversial foreign policy it has failed to live up to the expectation. With the tragic incident of 9/11 the US administration embarked on a mission of "war against terrorism." Initially it was hailed by all peace loving people. But as things started to unfold the inconsistency of the mission came under close scrutiny. Installing the Karzai Government in Kabul was thought to be a good beginning. Currently the question asked is now what? Given the history of Afghanistan how long can Hamid Karzai survive without the constant presence of the US led allied troops in the country? For some this is a semi-permanent occupation of Afghanistan by the US. If history is a reference point, no permanent peace is possible in a situation like this. While US blows its trumpets over fighting terrorism it closes its eyes while the Palestinians are being systematically annihilated by the Israelis. Yasser Arafat lives holed up in a battered single room of whatever is left of his headquarters. It is widely believed that because of the partisan US policy in the Middle East, Sharon has become so defiant and ruthless.

To make things worse newer ways are being sought to persecute the Muslims in US. On December 20, a Reuters report from Los Angeles read: "US detains hundreds of Muslim immigrants." The report said "hundreds of Iranian and other Middle East citizens were in southern California jails on Wednesday after coming forward to comply with a new rule to register with immigration authorities only to be wind up handcuffed and behind bars." This is no civilization. When BBC interviewed mothers whose sons were detained, their stories and agony were heartbreaking.

Immediately after the bombing of Pearl Harbor by Japan in December of 1941, the Japanese Americans were herded into makeshift ghettos in some remote wasteland of the Mainland America in the name of national security. Overnight all Japanese Americans became enemies of the state. Way back in 1978 I happened to meet a Japanese American Senator. He was a US

combat troop in Europe during the War. Immediately after the war was over he was returning to his home in Hawaii. He lost one of his arms in the combat. He went to a barber's shop in New York City to have a hair cut. The barber refused to give the hair cut. He was an enemy of the state! The shameful act of the then US administration still haunts a large section of the American society. Many fear the Muslims in America may be facing a similar fate in very near future. Few months back the Deputy Prime Minister of Malaysia, while on an official trip to US was asked to open his shoes at the airport in the name of security check. No action could have been more demeaning and disgraceful. Just a couple of months back Pakistan was US' ally in the war against terrorism. Recently US government has added Pakistan and Saudi Arabia in its list of countries whose citizens traveling to US will be photographed and finger printed on arrival at the airport.

A recent survey (reported by BBC) showed that throughout the Muslim world the US' war against terrorism is seen as war against Islam. This in no

produced people like Gandhi, Nehru, Azad and Indira. Ironically, Gujarat is the birthplace of Gandhi. Mother Teresa devoted her entire life to serving the humanitarian causes and instilling a sense of tolerance among the masses in India. To make matters worse the voters in Gujarat elected the same leadership, which masterminded this bloody carnage. My fear is that this has thrown a direct challenge towards the secular character of the Indian Constitution. Peace in Kashmir remains as illusive as ever. The poverty stricken people of this region can hardly bear the luxury of such continuous tension all around them.

Bangladesh has had its share of agony. The simultaneous bombing in four movie houses in the quiet and peaceful town of Mymensingh on December 8 and the loss of about 20 innocent lives have put the nation into a state of shock. The bombing in public places began about two years back when powerful explosions at a Udichi gathering in Jessore, Gopalgonj, Narayngonj, Sathkhira, at Bangla New Year Celebration in Ramna, the Left

to be ashamed. He has fought for his countrymen, the squaws and paposes, against white men, who came, year after year, to cheat them and take away their lands. You know the cause of our making war. It is known to all white men. They ought to be ashamed of it. The white men despise the Indians, and drive them from their homes. But the Indians are not deceitful. The white men speak bad of the Indian, and look at him spitefully. But the Indian does not tell lies; Indians do not steal.

"An Indian, who is as bad as the white men, could not live in our nation; he would be put to death, and eaten up by the wolves. The white men are bad schoolmasters; they carry false looks, and deal in false actions; they smile in the face of the poor Indian to cheat him; they shake them by the hand to gain their confidence, to make them drunk, to deceive them, and ruin our wives. We told them to let us alone, and keep away from us; but they followed on, and beset our paths, and they coiled themselves among us, like the snake. They poisoned us by their touch. We were not safe. We lived in danger. We were becoming like them, hypocrites and liars, adulterers, lazy drones, all talkers, and no workers.

"We looked up to the Great Spirit. We went to our great father. We were encouraged. His great council gave us fair words and big promises; but we got no satisfaction. Things were growing worse. There were no deer in the forest. The opossum and beaver were fled; the springs were drying up, and our squaws and paposes without victuals to keep from starving; we called a great council, and built a large fire. The spirit of our fathers arose and spoke to us to avenge our wrongs or die. We all spoke before the council fire. It was warm and pleasant. We set up the war-whoop, and dug up the tomahawk; our knives were ready, and the heart of Black-Hawk swelled high in his bosom, when he led his warriors to battle. He is satisfied. He will go to the world of spirits contented. He has done his duty. His father will meet him there and commend him." (Source: Frank E. Stevens, The Black Hawk War, 1903, 372-73)

The new millennium was ushered with the promise that discrimination in the name of religion, race, colour, creed, belief, faith, wealth and nationality will be something of the past. Black-Hawk will not have to make another speech like the one he made some hundred and eighty years back. Ironically global situation perhaps is heading towards a direction where many Black-Hawks will have to make more such speeches. Human being likes to dream. We want to dream of a better future. If not for us may be for our children. We would like to search for light at the end of the tunnel. The tunnel may of course be long. But efforts should not stop. The search has to continue.

Wishing everyone a Happy New Year and a better tomorrow.

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way demonstrates the success of the US PR. To prevent the recurrence of tragic bomb blast incidents as those in Bali or Nairobi where lots of lives were lost and property damaged, it is time US invested more in its efforts to build up better international relations and understanding amongst nations and communities. It has to be remembered that US is a country which has produced outstanding statesmen and leaders like Thomas Jefferson, Abraham Lincoln, Theodore Roosevelt, Woodrow Wilson, FD Roosevelt, and of course one of the greatest leaders of all times -- Dr. Martin Luther King. It was the statesmanship, vision and appropriate diplomatic maneuvers of John F. Kennedy that the Cuban Missile Crisis did not culminate in a major conflict. How can the leaders of a nation which has produced such great people instead of working for peace beat the drums of war and alienate millions of people of a particular community all around the world and still hope for peace?

Besides Bali and Nairobi, another tragic incident has added a black page to the political history of India. It is the unfortunate communal riot in Gujarat resulting in the loss of more than 2000 lives. It happened in a country, which

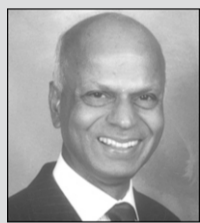
Front meeting at Paltan snuffed out scores of innocent lives. The perpetrators are yet to be booked. The peace loving people of Bangladesh would like to think the explosion in Mymensingh is the last of such incident. But who can guarantee?

When "Operation Clean Heart" commenced to root out the gangsterism and terror in the country general people for a while expressed a sigh of relief. But the loss of life of about thirty-eight people in custody cast a gloomy shadow over the entire operation. The nation can well demand an explanation for every extra-judicial loss of life. A people's government owes it to its people.

The people who surrender seldom make speech. One person did. Under the seventh US President Andrew Jackson (1829-1837), Native American tribes were systematically forced from their lands and pushed westward to make way for European colonization. Chief Black Hawk, of the Sauk tribe, fought upheaval, but eventually was forced to surrender. During his surrender in 1832 he made a historical speech:

"Black-Hawk is an Indian. He has done nothing for which an Indian ought

The outlook for the American economy



CHAKLADER MAHBOOB-UL ALAM writes from Madrid

THE next presidential election in the United States will be held in 2004, but the Republican Party's re-election campaign is already in full swing. President George W. Bush is painfully aware of the fact that in the end his chances of re-election depends not so much on whether he has been successful in expanding the American empire to the farthest corner of this planet but on the state of the economy at home. (According to a recent Fox News survey only 47% approved his performance in this field.) He wants to avoid his father's fate, who won the Gulf War but lost the election because of his failure to tackle the domestic economic problems more aggressively, hence the recent changes in his economic team. Both Lawrence Lindsey (the director of the National Economic Council, architect of the president's 10-year \$1.35 trillion tax cut) and Paul O'Neill, (the outspoken Treasury

Secretary) have just been sacked. But what is the real state of the American economy?

Only a few weeks ago the future looked very grim. Although now the prospect of a double dip (W shaped) recession has receded and deflationary pressures have eased, the economy is giving mixed signals on its recovery. The new economy bubble has burst. The stock market is not showing great signs of recovery. The SEC chairman's resignation has not been enough to restore investor confidence, which has been deeply shaken by a series of corporate scandals. Large price cuts have induced the Christmas shoppers to spend more than ever. Car sales (at zero -interest -financing plus other incentives) have continued to rise through the summer and autumn. In the housing market, business is good, again because of very low interest rates. According to reliable sources, consumer confidence has rebounded. But capital spending, particularly in sectors such as non-residential buildings, energy and aviation remains weak. In industry, still there is considerable spare capacity (app.25%). According to the PMI (purchasing managers index), manufacturing activity continues to be slack indicating economic recession (the manufacturing index has been below 50 for three successive months). More than two million private-sector jobs have been lost since President Bush took office. In the manufactur-

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ing sector, 4500 jobs were lost in November, the 28th consecutive monthly decline. Current unemployment rate at 6% (the highest in nearly nine years) is far worse than expected. If this trend continues, it will most certainly affect consumer spending in future. Several trillion dollar-denominated assets are currently being held by foreigners, allowing the US to run huge trade deficits. (If these foreigners were to lose their confidence in the US dollar as the traditional "safe haven" currency, they will quickly shed their dollar holdings, interest rates will rise and the economy will go into further recession.) There have been twelve interest rate cuts over the last two years. It now stands at 1.25% (lowest since 1961), which means that the Federal Reserve Board, which until recently was the only effective economic policy maker, now has hardly any weapons left to stimulate the economy and ward off possible deflation (a general decline in prices). Therefore, its powers in the economic field have effectively been neutralised. (Japan with near-zero interest rates is already in this situation and has been there for some time now.) Therefore, the burden of economic recovery now rests on fiscal policy. The Federal budget has already moved from surplus to deficit and it is quite likely that the budget deficits in future will increase further. Plunging tax collections and soaring welfare and medical costs will force many state governors either to impose new taxes, or make drastic cuts in services or to run budget deficits. Given these circumstances, what does President Bush expect from his new economic team?

It is clear that President wants to put in place a package of stimulus measures for economic growth, job creation and restoration of investor confidence as quickly as possible. He wants good team-players with better political skills (Paul O'Neill and Larry Lindsey were, by all accounts, not good team-players). Apparently he does not want policy-makers. He wants his new economic team to have faith in his economic policy, to have the capacity to sell his policy agenda to the public and to execute it more effectively than the previous team. It seems Mr. Bush does not want to make major changes in his policy. He wants to make last year's 10-year tax cut plan a part of American law and introduce a package of investor tax cuts. (Mr. O'Neill was more interested in a complete overhaul of the complicated tax code than the administration's tax cut plan. Actually he had serious doubts about the virtues of the tax cut plan and was often perceived as a brake on this policy.) It also appears that the president wants to privatise parts of the federal administration.

Actually, the tax cut plan is the core agenda of the economic ideologues of the Republican party (the supply-siders), which was once dismissed by O'Neill as a "show business ". Actually the battle between supply-side economics and Keynesian demand management has been going on in the US since 1975. Both want economic

growth. While in the Keynesian school, the emphasis is on increasing demand for goods and services, the supply-siders put more emphasis on "productivity" and "capacity creation through capital formation and research". They argue that a simple increase in demand without a corresponding increase in productivity will merely create more inflation. In contrast with the Keynesians, the supply-siders also place much greater emphasis on the private sector and deregulation of the market. The third important difference between the supply-siders and the Keynesians lies in their attitude toward taxation. While to the Keynesians it has exactly the same effect on the demand whether the government makes an aggregate tax cut of a certain amount or increases government spending by the same amount, the supply-siders feel that there is a huge difference between the two. Tax cuts, according to supply-siders, would stimulate demand in such a manner that eventually they will not only pay for themselves but also increase revenues (the famous Laffer curve). They feel even more strongly about different types of tax cuts and tax rebates and their different impact on economic growth. They feel that the tax-cut mechanism should be discriminatory in favour of the private sector, which would involve "rebuilding capital stock, reinvigorating productivity growth, reducing structural unemployment". According to this school, " growth comes from investment, investment relies on savings and the wealthy save". Therefore, in a free market economy, the government policy as regards tax cuts should be geared to promoting the rich more than the rest of the population. This policy, needles to say, goes against the Democratic Party's policy, which wants to stimulate demand by cutting taxes for citizens with low and middle level incomes.

According to Prof. Michael Evans, an optimal supply-side programme is like a three-legged stool : personal tax cuts, business tax cuts, and government spending cuts. If any one of the legs is removed, the stool will collapse , i.e., the plan will not produce the desired results. President Bush has a difficult balancing act to perform. If he allows his political right flank to get the upper hand in policy decisions (most of them supply-side theorists), he will merely insist on tax cuts for business and for the wealthy. Looking at the low approval rating of his performance in the economic field, he may be persuaded to make across-the-board tax cuts, which in any case, according to many economists will have a better stimulating effect on the economy. Under the current economic circumstances, when the unemployment is rising (over 10% unemployment will have disastrous effects on his chances of being re-elected) and the gap between the rich and the poor is widening (the current federal benefit programme for the unemployed will expire on 28th December, three days after Christmas), can he afford to cut social security and other benefits further ? Leaving aside the money required to pay down the national

debt and extra expenditures on homeland security, defence and possible war in the Middle East, even under existing circumstances, it would be very difficult for the

president to undertake major government spending cuts.

There are so many imponderables that it would be foolish to predict the future of the American

economy over the next few years. However, if the economy does not pick up quickly, it is reasonable to expect budget deficits both at the federal and state levels during this period. Now the question is: When a country suffers from recurrent budget deficits, unemployment is rising at an unacceptable rate and the economy is in a slump, does it

make sense to cling to a discredited economic policy based on tax cuts for the wealthy? The president's new economic team will have the unenviable task of convincing him and the ideological gurus of the Republican Party that it is worth reconsidering the issue.



All health information to keep you up to date

2003 -- International Year of Freshwater

The water supply in Bangladesh is primarily based on groundwater. Hand pump shallow tube wells have become the key source of drinking water since an awareness campaign in the early seventies. The widespread microbial contamination of surface water had been shown to the cause of massive death rates from diarrhoea.

At present, wells in more than half of Bangladesh's districts are estimated to be contaminated with arsenic, predominantly in the south western, middle, and northeastern parts of the country. The health hazards due to arsenic contaminated water have raise concern for public health in Bangladesh. Although about 10,500 cases of arsenicosis have been official reported in Bangladesh, it has been estimated that at least 20 million people are exposed to arsenic poisoning with 30 million potentially exposed. Currently clinicians identify arsenic affected cases by external manifestations. The diagnosis depends upon the skin manifestations called melanosis and keratosis coupled with a history of drinking arsenic contaminated water.

The effects of arsenic poisoning can vary from skin pigmentation to gastro-intestinal, respiratory and cardiac, developmental and neurological, liver, pancreas and urological deficiencies and eventually cancer in severe cases. Arsenic in the form of arsenite and arsenate is known as carcinogen and tends to deposit in hair, nail and bone. Toxicity of arsenic depends on its accumulation in the body. The time taken to develop symptoms in the human body depends on the exposure, body defence mechanism and nutritional status. Until a certain point, contamination may be treated and reversed. Experts have been trying to develop a proper management protocol for arsenicosis patients in Bangladesh. Still, there is much confusion as to the extent of the problem, and there is no well coordinated public health approach to managing the large scale exposure to a potential health hazard.

Did you know?

One in five Americans know their doctor's phone number by heart.