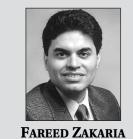
# POINT <sup>#</sup>COUNTERPOINT

DHAKA THURSDAY JANUARY 29, 2004

# The one-note superpower



writes from America

funny thing has happened. While the war on terrorism has dominated headlines, the great engine of globalisation haskept moving.

Covered in blankets of snow Davos was looking stunning last weekend.

The sight even moved the normally unflappable vice president of the United States. Dick Cheney began his speech to the World Economic Forum noting reflectively that settings like these force one to step back from day-to-day pressures and take "the long view. Unfortunately, his own address, well-crafted and thoughtful on its own terms, did not really take up that challenge.

Cheney spoke intelligently about the dangers of terrorism. He noted that today's technology makes possible the killing not just of 3,000 people, but 300,000. His solutions were persuasive: help end the ideologies of violence by promoting reform in the greater Middle East; increase cooperation among countries to battle terror-ism, and if and when diplomacy fails, take decisive (meaning military) action. But the speech fell flat. It's not that people at the conference disagreed with it. But it seemed quite disconnected from what they -- politicians, business-men, religious figures, social activists and writers from around the world -- had been talking about and grappling with over the previous few days. You see, a funny thing has happened around the world over the past two years. While the war on terrorism has dominated headlines, the great engine of globalisation has kept moving, rewarding some, punishing others, but always keeping up the pressure by increasing human contact, communication and competition. For almost every country today, its primary struggle centres on globalisation issues -- growth, poverty eradication, disease prevention, education, urbanisation,

the preservation of identity. On all these, America is now largely silent. "It's not that we don't worry about terrorism," a head of government (of a pro-American country) said to me. But for him, as for other leaders, it's not how he sees the world: "I have to grapple with a different set of issues. And I have the feeling that the United States has gone off into its own universe and cannot hear or say anything to me about my prob-Most countries and companies

and development. Turkey has recently suffered terrorist attacks. But Prime Minister Erdogan wanted to impress on his audience Turkey's determination to meet the European Union's criteria for membership. Both leaders are showing flexibility on longstanding political disputes (Kashmir and Cyprus) because they realise that these are obstacles to their most important goal: modernisation.

A funny thing has happened around the world over the past two years. While the war on terrorism has dominated headlines, the great engine of globalisation has kept moving, rewarding some, punishing others, but always keeping up the pressure by increasing human contact, communication and competition...Developing nations that once feared globalisation are beginning to learn how to use it to their advantage -- sometimes ganging up during trade negotiations.

lems." There is a disconnect between America and the world. Of all the leaders who attended this meeting, no one could be more concerned with terrorists than President Musharraf of Pakistan. They have, after all, repeatedly threatened his life. Yet his schedule of private meetings, which were mainly with businessmen, reveal his priorities: investment, growth

measures with pro-growth policies. Thus Vladimir Putin jails oligarchs, yet opens up parts of Russia's economy. Brazil's Lula and Thailand's Thaksin speak of solidarity with the people even as they liberalise the economy. Most important, China is gaming the global capitalist system to its bene-fit -- devoting immense resources and brainpower to its negotiations on trade, commerce and business see that globalisation is creating law. While Washington worries enormous opportunities, but also about traditional problems of new problems. "We have increasempire -- disorderon the periphery ing global trade and commerce, -- there is a new globalising world but we still have a hodgepodge of slowly taking shape, in search of differing standards for everything leadership. from earnings to ethics," said Jurgen Hambrecht, chairman of

Fareed Zakaria is Editor of Newsweek the board of the German company BASF. But Washington is not likely

standards or solutions, presum-

ably because it somehow smacks of

world government. Even in the war

on terror, where the United States

seeks (in Cheney's words) "greater cooperation," it has not tried to

create a global system that shares

information and creates common

standards of security. Instead it

prefers ad hoc measures. This lack

of leadership means, ultimately, a less secure world. Even in the

economic realm there is no clear

vision, and so countries are free-

lancing, jockeying for advantage.

Developing nations that once

feared globalisation are beginning

to learn how to use it to their advantage -- sometimes ganging

up during trade negotiations.

Others cleverly combine populist

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### In memoriam

### A S Mahmud

The man who dreamt too much

or h

nt

### ASIF SALEH

HUJON, always try to do good to people, no matter how small the effort is, how insignificant the person is; one day you

will get your rewards without even knowing it", he said to me once. I have never forgotten that. Every time I visited him in Bangladesh, he would tell me to return to Bangladesh. "Bangladesh has so much potential, Shujon", he would say inspiringly. "It will be one of the four tigers of Asia", he said. Always an optimist, a visionary, AS Mahmud, known to me as Meio Chacha. never once would say anything negative about Bangladesh no matter how bleak its future looked.

Soon, I started to understand the breadth of his business acumen. I heard about a negotiated last minute deal that made him the chairperson of Philips, Bangladesh. I heard about how he first thought of and created a major insurance company called Reliance Insurance in Bangladesh. I heard how he became the longest serving President for Dhaka Chamber of Commerce and Industry. It was during that time when I first heard that he also wanted to start a daily newspaper. This was the time when only the Bangladesh Observer ruled the English newspaper space. However, entering newspaper business, espe cially an English newspaper which traditionally has low subscription base, was not really the idea of profit in Bangladesh for a businessman.

In spite of all his achievements, he never rested on his laurels. Knowing about my fascina-tion with photography, he always told me how he always wanted to make a movie in his life. I always laughed on the side thinking it was just another of his many whims. Around that time, he divested from Transcom Limited. Everyone thought he would lead a quiet and peaceful life after that. Always full of ideas, That is when he started dreaming of Ekushey TV. Unlike most businessmen in Bangladesh, he believed in social entrepreneurship. He believed that it was possible to to greater good and to do good business at the same time. If he didn't believe in that, he could never build the way he built Ekushey TV. He wanted to change the shape of electronic media in Bangladesh and therefore not thinking about profit, he brought the best people from abroad. Ekushey was his dream. At the age of sixty-five, by creating a home for others to make movies, he started materialising his dream of making mov-

Not only for its people-focused progressive programmes, Ekushey was also known to all for its professional culture. It was the first company to attract a major foreign investment from abroad. All of this did not happen out of thin air. There was this man's vision and work behind all this. He wanted to show the world that Bangladesh can have a company run by international standards. Ekushey TV's superior man-agement showed that he was right. His dream vas materialised.

But what a brutal ending the dream faced!

The government of Bangladesh fought tooth and nail at the court to shut down the channel that became the darling of common mass. There were a lot of ironies in that case. Two of them struck me the most. The first one was the attorney



a once leftist student leader and a family friend Deputy Attorney General Adilur Rahman Khan who was a frequent visitor to our house in the heady days of anti-Ershad movement. He talked about his dream of equality in the society. It was comical to see that Adil was materialising his "dream" of socialism in Bangladesh by fighting hard for a regime that was bent on killing the media that talked about little people. The second irony was the other person who was instrumental n this closure -- Shafiq Rehman, editor of weekly Jai Jai Din, who himself suffered under media censorship and was driven away from the country for his outspoken articles against Ershad. Now his weekly was writing to shut down the only media that was free. Perhaps there lied the difference between AS Mahmud and the people who control Bangladesh. Bangladesh is full of people with myopic vision who could not see beyond their petty self interest. With their myopic vision they could not see the amount of effort and pas-sion that was invested to create an organisation like Ekushey and what a permanent damage they were causing to the country by shutting it down.

Even before this closure, Mahmud got disillusioned by his friends and business partners who betrayed him. His wife always used to say, "The problem with my husband is that anytime he would see dirty politics seeping in his business, he would shy away from it in stead of confronting it". Perhaps this was his biggest drawback. He always wanted to be above the fray and above the pettiness of people. He was, indeed, too "naïve" in the dark and complicated world of Bangladeshi business. In this process, his health suffered and he went to ondon for treatment with his wife and son Farhad and his daughter-in-law Liana.

However, Ekushey TV was killed swiftly in the meantime. Also killed with that was one man's dream and everything that he had worked for all his life. The ever optimistic AS Mahmud was killed that day along with Ekushey. Six months after that, I brought him over to visit my place in New York after a lot of persuasion. However, I could not bring my old mejo chacha back. He was a deeply dejected man. The smile was gone from his face. He never asked me to return to

Bangladesh any more. Neither did he want to meet anyone when he was there. It would have taken a lot to take the smile out of a man who had a zest for life. The politics of Bangladesh somehow managed to do that unthinkable

He was in the hospital in London for two months after he had the stroke in early November last year. I used to visit him often. I saw him struggle and fight. When he would be sleeping, I would be massaging his legs and feet and wonder why he was there. What did this man do to be in a hospital in London so far away from Bangladesh and suffer like the way he did? What was his crime? Loving his country too much? Perhaps so. Bangladesh, these days, has no place for the real patriots. A man who would fancy good food everywhere could not eat the last two months of his life, a man who was full of life and smile forgot how to smile. A man who always inspired others to return to Bangladesh lost the yearning to return to Bangladesh even after his death. The politics of Bangladesh somehow managed to do the unthinkable

A man who always shied away from the ugly side of human beings was always attracted by simplicity of the average people. That led to his eventually making friendship with the kinder and gentler little people at the neighbourhood he lived in London. The owner at the corner shop, the retired Greek neighbour next door, the stranger nurse from Lewisham Hospital -- they all became his good friends. Those friendships came from the heart where no mutual interest but pure human bonding was involved. That human bonding was what he cared for the most. He didn't want much. He wanted everyone to feel the same way he felt for everybody. Perhaps he set a very high standard for others. The cruel Bangladesh disappointed him. It was perhaps fitting that he was buried according to his wishes in England where he got the respect from the little people. A citizen of the world, as he would like to call himself, was not bound by geographical boundary after his death.

While we were going to his Janaja the other day, The Daily Star Editor Mahfuz Anam called his son, Farhad on the mobile phone to send his condolence. He also mentioned that he wanted to write a cover piece on him. After the conversa-tion ended the usually strong Farhad burst out crying saying that it was too late. After writing this piece, I saw that Mr. Anam has written an elaborate piece on AS Mahmud. I thank him much for that. Alas, I wish he had written this piece while the man was alive. At least that would have given him some comfort that at least someone in Bangladesh did recognise the work he had done in the field of media for Bangladesh.

Once chacha was asked in an interview what his favourite passtime was. He replied that what he enjoyed doing the most was dreaming while he was awake. A dreamer and a visionary, Mr. A S Mahmud was laid to rest at London's Garden of Peace cemetery after living his exciting and colourful dreams for 70 gloring years. We can only hope that his eventful life would inspire many future AS Mahmuds to dream and change Bangladesh for the better

## The poverty syndrome: What to do about it?

#### **DR. ABUL HASHEM**

O much has been written about poverty, so much has been said. A lot has been done at the national and international levels to alleviate, if not eliminate, poverty. All said and done, poverty still persists and afflicts a large segment of the world population. Globally 1.8 billion out of a 1 or 30 o gloha tion is estimated to remain below the poverty line that is generally defined as a minimum threshold level of income that can buy a bundle of basic provisions for sustenance of life. 800 million or 13 per cent of the total are estimated to live on an income of a dollar a day and literally go hungry. They are the sufferers of extreme poverty. Calculated in terms of the population of the three continents of Asia, Africa and Latin America, which contain three fourths of the world total, these percentages would be 40 and 18 respectively. Within and among the three continents the incidence of poverty varies by countries and areas. Asia, the abode of the majority of mankind contains the highest total number of the poor. mostly in South Asia. In 2000, world leaders meeting in summit reached a compact and set a goal to reduce by half the number living in poverty and to eliminate hunger by 2015. This millennium goal, as it has come to be known, has to be achieved by adopting national policies and programmes with donors and international aid agencies providing technical and resource supports. Bangladesh stands out in the poverty league with more than half of its population estimated to live below the poverty line and more than a third (35 per cent) living in extreme poverty. Translated in abso lute numbers, 75 million and at least 50 million will be living in poverty and extreme poverty respectively out of a total of 150 million already reached or soon to be reached. These numbers signify the magnitude of the challenge that Bangladesh face in achieving the millenium goal. A National Strategy for Economic Growth, Poverty Reduction and Social Development which, at its preparatory stage, came to be known simply as the Poverty Reduction Strategy Paper (PRSP), has noted progress in poverty reduction since independence with accelerated progress in the decade of the 1990s. Thus the incidence of poverty has been found reduced from 59 per cent in 1991/92 to 50 per cent in 2000. There we are then with about 75 million poor, and at least 50 million extremely poor suffering from severe undernourishment I am not going into the other statistical criteria of defining poverty such as depri-vation from education, health, housing, sanitation, civil rights, political rights etc. I believe that lack of access to income lies at the root of all deprivations. For me therefore income definition of poverty will suffice. Since independence Bangladesh's poverty has received perhaps more than its fair share of public-ity. It has similarly evoked generous responses. Governments have all along made poverty reduction as the primary goal in their development strategies, plans and programs, at least on paper. International aid agencies and donors have come forward with offers of generous help, national and international NGOs in hundreds have operated in the field with small credit offers (micro-credit), educational and vocational aid, production and marketing aid for small producers in agriculture and cottage based industries and so on. Today's progress probably shows the outcome of these various efforts. More progress could have been achieved had the available resources been utilized more appropriately, honestly and efficiently. A total of 30 to 40 billion dollars (36.34 billion as of 1999/00) in aids (grants, and loans on relatively soft terms) have flowed into Bangladesh since independence. Home- grown corruption and ineffi ciency allegedly have eaten away a great chunk of it. Much of it has also allegedly flown back to where they came from as payments for high priced experts, advisers, consultants and material supplies. The hand-in-glove love affairs in this matter between the domestic and international actors have often

been exposed to little effect however (see Graham Hancock, Lords of Poverty, for some fascinating stories). Only the other day the Finance Minister said the cost of building a bridge over the river Karnafuli would be 50 per cent higher if built with foreign assistance than if it is domestically financed. One should not however complain too much about foreign assistance. It must have done a lot of good to adesh over the years. At one stage our national

cent of farms with 17.5 per cent of the area in 1996. Cultivated land available per capita was a mere .15 acre in 1996. Such has been the effect of our swelling numbers more than doubling since 1960, most of the additions being absorbed into agriculture. The increased number along with the operation of our inheritance laws saw to it that the farms are mostly reduced to tiny parcels breaking up the vast majority of the large and medium farms of 1960 into small and medium ones respectively by 1996. Some of the 24 per cent reported possessing farms below 1- acre size in 1960 might have joined the rank of the 10.2 per cent absolute land-less reported in the 1996 census.

land holders only 2.3 per cent is female headed, 91 per cent of them having farm sizes less than 2.5 acres (small by definition). So much for their property rights and land holdings. Village girls are generally illiterate, the girl child having less parental preference for educating their children than the boy child Girls are married off very early in age with dowry costs to parents. Their husbands often abandon ivorced or not) with liabilities for children.

must have been lowered and raised a number times during the last five decades. Barga reform to give the Bargadar a better deal could perhaps be enforced. But Barga as an institution perhaps cannot be abolished since it enables widowed and other disabled land owners to have their land cultivated for livelihood support and the marginal farmers can enhance the size of their cultivated noldings by hire.

ently of the state and motivated to do so; the accumulation by them of enough capital to finance investment; the development of a practical science based on mathematics and mechanics; and the availability of expanding markets to encourage the rapid development of machine production" (Paul Harrison, Inside the Third World)

To be sure much more was involved than is seventeenth century and early 1920s, for example 50 million Europeans reportedly migrated perma nently to other parts of the world they conquered, mostly the USA, Australasia, and Argentina-Brazil in South America. That enabled the Europeans largely to ease the pressure created by the population bulge in the initial move towards industrial transformation. Besides access to cheap food and other over seas supplies helped to reduce the stress industrial ization could generate. Between 1871 and 1920, 24.4 millions from Britain (5.9), Italy (5.0), Spain (3.6), Austria-Hungary (3.4), Germany (2.8), Russia (1.6), Portugal 1.3) and Sweden (.8) emigrated. At the same time the USA (17.8), Australasia (1.2) and Argentina-Brazil (5.4) received 24.4 million immigrants.(James Fore-man Peck, A History of the World Economy). The list of the emigrating and receiving countries is not exhaustive. The matching of the two figures of emigration and immigration need not mean that the emigrants from the listed countries necessarily went to the listed recipient countries or that the recipient countries got all their immigrants from the listed emigrating countries. But the origin and destination of major migrations are clear enough from the list. Both the 'push' and 'pull' factors are said to have propelled the migration process espe cially during the period cited here. The push and the spirit of adventures and conquest may have induced earlier migrations more. They had yet another advantage. Foreign markets for their products were forced open by guns where they will not open otherwise. But that was the time that was. Today we live in a different world. We are today the beneficiaries of their achievements in many ways. But we are also victims of those achievements in many other ways. For example, we can beg and borrow from them to finance investment, sometimes consumption even. We can use their technologies though of a certain kind and category only, without reinventing the wheel so to say. We can take advantage of the scientific and general knowledge and the institutional base (economic, social and political) they have created and made accessible to all. For doing all these of course we have to take that first step to learn the 3 R'S and move up, in which we still have a pathetic lack. Among our disadvantages are that we find the markets for our products often closed or heavily restricted. Our domestic markets are still forced open, if not by the force of arms but by the twist of the arm. We have to use relatively sophisticated production technologies to meet quality standards to be able to compete in the market, which militates against our need for massive employment generation. We cannot escape elsewhere as the Europeans could in times of their need since we find today stringent border restrictions all around us unlike then. We have to uphold their standards of rights and liberties that took them centuries to acquire Nobody then cared for the Oliver Twists of the world as we do for the Tokais of today. Nobody heard about human rights, trade union rights, and women and children rights, even of democracy, until late in the day.

saving rates were close to zero. That meant that we could not do much beyond living hand to mouth without such assistance. Today the situation is a bit different for us to be able to pick and choose unless spoiled by our home-based corruption and inefficiency about which complains are sounded daily loudly and widely.

Bangadesh has not yet been able to hit the target of a 7 per cent annual rate of economic growth, recommended internationally a long time ago, as a condition to overcome poverty. The cliché that economic growth is necessary but not sufficient has own old. It cannot perhaps be doubted however that economic growth is the guarantee to heal the poverty wounds at the end of the long term. But in the long run we may be all dead. So the faster is the growth, the better both for now and for the future. We may be dead in the long run but not all root and branch. We will leave at our death others to take our place. What we are really aiming at is to leave to generations to come bequeaths richer than that we have inherited. But for doing that we cannot sacri-fice all. The present generation deserves a life better than given them below the poverty line. After all, what has posterity done for us that we should do so much for the posterity. But we have a classic dilemma. We cannot eat the cake and have it too. We have to eat some and keep some.

Leaving aside allegories, in plain language we need to devote available resources both to productive investment as well as to the improvement of the living conditions of the poor. There may be a tradeoff between the two. Expenditures for enhancing welfare of the poor may have to be at the expense of productive investment. Many will dispute this proposition, the argument being that if the poor are liciously aided they can also be productive. So it may be looked upon as investment rather than as consumption pure and simple. There may yet be a trade-off in the sense that the two types of invest ment may not be equally productive or quick yield-ing. It is not worth belaboring the point however. It s been done so much and so often.

Our case is that the poor deserve better. How to do good to them that may, at the same time, enhance the common good depends on the under-standing of the complexities of our poverty. The root of it perhaps lies in the fact that our inheritance has been rather poor. Nowhere else in the world so many live on so small a territory with so few known resources. A span of God gifted land space awash with river flows was our richest inheritance for sustaining life. Its insufficiency is so obvious. When the territory of Bangladesh was curved out as a separate entity in 1947, we inherited around 55,000 sq. miles of surface area. About a 1000 sq. miles of that surface was watery with perennially flowing rivers. A 1960 Census of Agriculture reported a total of 23.1 million acres of farm area of which 19.1 million acres were cultivated. A 1996 Census reported that these areas were reduced to 20.5 million acres (operated area) and 17.8 million acres (cultivated area) respectively. That indicates the amount of land lost to non-farm use or going out of commission otherwise.

The average farm size in 1996 went down to 1.50 acres (cultivated area) from 3.1 acres in 1960. The percentage of small farms (below 2.5 acres) went up from 51 per cent in 1960 to 80 per cent in 1996 oper ating 16 and 41 percent of the area respectively. Thirty-eight per cent of the farms were medium sized (2.5 and below 7.5 acres) with 47 per cent of the area in 1960. In 1996 they were 17.5 per cent of farms with 41.5 per cent of the area. Large farms (above 7.5 acres) constituted 11 per cent of the farms with 37 of the area in 1960. They were reduced to a mere 2.5 per

The root of our poverty lies in these farm and land statistics. The faster reduction and lower rates of rural poverty that recent reports suggest shows the resilience of our agriculturists and their ability to raise productivity and diversify production notwithstanding the insufficiency of land and the perennial problem of too much (wet season) and oo little (dry season) water. The problem has been further aggravated by the large-scale interventions in river flows by the upper riparian of our shared river system. Infusion of modern inputs in agriculture including an extension of irrigation has helped. Influx from the rural into urban areas swelling the Many become widowed early in age with liabilities for rearing children. That women and the girl child are deprived of proper nutrition within the family has been also recorded and reported. Frequent pregnancy and childbirth render many women unfit to work even if they survive and work opportunities are there to earn a livelihood in the absence of male support.

Apart from dowry obligations of poor parents there are other social factors contributing to poverty. The obligations to throw in feasts at weddings and after deaths in the family even at the cost of life time savings and assets reduce many relatively well off to poverty. There is a charge that we talk more and work less. Any charge of idleness of our farmers has been however refuted by research findings. Our farmers are hard working people. They may suffer forced idleness during certain time of the year as the

Among our disadvantages are that we find the markets for our products often closed or heavily restricted. Our domestic markets are still forced open, if not by the force of arms but by the twist of the arm. We have to use relatively sophisticated production technologies to meet quality standards to be able to compete in the market, which militates against our need for massive employment generation. We cannot escape elsewhere as the Europeans could in times of their need since we find today stringent border restrictions all around us unlike then. We have to uphold their standards of rights and liberties that took them centuries to acquire.

rank of the urban poor and intrusion of some nonfarm activities in rural areas have also served to reduce the pressure on rural society.

There are other factors that have been cited as causes of poverty or at least for its aggravation. One of them is exploitation and deprivation of the poor of their legitimate due. The size distribution of farmland indicates a highly egalitarian rural society though some have talked about feudalistic exploita-tion. Classic feudalism never existed in Bangadesh. This does not mean however that the rural society is free from exploitation or of the exploited and the exploiter. There are influential elements in rural areas, not necessarily based on land-ownership though in the given situation even small differences in land-ownership can make significant differences in class distinction, who exploit and oppress the poor. Moneylenders, wage-labour employers, selfstyled religious leaders, influential political elements, local bureaucrats and their henchmen, all of which could relate to relatively large land holdings, are the culprits. As one report has suggested the class of exploiters "is much more diffuse -behaviorally its position depends upon a variety of relationships rather than an absolute quantitative distinctions referring to land" (Exploitation and the Rural Poor, BARD, Comilla). Women are an exploited class by themselves socially and even within their own families, and not only in rural

Women's inheritance rights are severely limited which is reflected in rural land ownership as reported in the 1996 Census. Of the total rural households only 3.5 per cent is female headed. Of them 56 per cent are non-farm holders and 44 per cent farm holders. Of the non-farm holders 85 per cent has no land whatsoever and the remaining 15 per cent has areas less than 0.4 acres. Of the farm-

intensity of agricultural works varies with the weather cycle throughout the year on which our agriculture is still largely dependent. The incidence of such idleness must have been greatly reduced now that modern inputs have made multiple cropping of lands possible with land-use intensity reaching 174 per cent in the present. Besides, non-farm activities have provided work opportunities to many.

Nature often plays cruel havoc with us unlike in many other countries. Severe floods frequently wash away not only standing crops, seedlings and all, but also houses and homesteads. Cyclones and tornadoes take their frequent tolls in the same way. Then there are the victims of river- bank erosions Through these processes thousands, if not hundreds of thousands, turn not only poor but also absolute destitute almost every year.

The suggested solutions to poverty are obvious. Give land to the land-less through land reform. The problem is that land simply is not there to give. As indicated above, our inheritance law has been doing the job of breaking up the relatively large land-holdings and re-distributing them. In no way women's inheritance right can be improved however for obvious reasons despite some advocating it as a must. Attempts to cut back the size of larger holdings come up against the problem of too little available excess to acquire to be distributed to too many claimants. Furthermore, the available excess of land and the most deserving prospective beneficiaries may not be residing in the same locality requiring habitat transfers. Then there is the enormous scope for litigation, corruption and bribery in any attempts at acquisition and redistribution. Proof exists in the ongoing attempts to distribute the so-called Khas lands. It is for these reasons that legal ceilings on land owner-ship

The other recommendations that are made are: Give the poor education, shelter, health care, subsidized food and other necessities, outright doles to the destitute, vocational and craftsmanship training, production tools, training and credits, and above all, productive employment. These are easier said than done. Politicians often take the easier course. It is not to doubt their sincerity. Doing all or at least some of them come up against the resource crunch about which politicians always do not prefer to talk, especially at election times. Generating resources is absolutely essential for doing what needs to be done. There seems to be no alternative to accelerate further the rate of domestic economic growth to create that extra margin for resource eneration. The major contributions to the recent raising of the growth rate beyond 5 per cent annual came from agriculture. If the other sectors, especially the laggard industrial sector, could be stimulated it won't be difficult to reach at least the 7 per cent target set a long time ago.

I would like here to take note also of the recent tendency for income distribution to become more nequal detected in the value of the Gini co-efficient rising approximately from .26 to .31 nationally, from .31 to .37 in urban and from .24 to .27 in rural areas. (Rural egalitarian distribution at least partly reflects the pattern of distribution of land ownership earlier noted). This may have worried many. I would not worry so much so long as the rich do not become richer from unearned sources of income. We are still more egalitarian (widely sharing our poverty) than many other societies. It is an established proposition in economic literature following Simon Kuznet's pioneering work that income distribution has an inevitable tendency to become more unequal in the initial phases of economic growth and development. Even so a rise in the average level of income may make the poor better off absolutely though they may become poorer relatively. Special care can be taken of those who are particularly bypassed by the growth process.

Again it is easier to advocate accelerated growth and generation of additional resources than to suggest practical guide to achieve them. We are not the only poor in the world. We are only about 4 per cent of the world total of the poor. All of them need owth and the resources to achieve it. All of them ook to the rich world for support and succor. All o them try to look back to the history of the rich world to understand how they escaped from poverty which at one time afflicted them no less than it does us today. The European stock of the world populace which has spread itself to the Americas and Australasia were once poorer than many of today's poor of the world. A keen observer has noted:

"All three continents of what is now the Third World were the home of sophisticated civilizations. Many of their cities were centers of fabulous wealth far in advance of anything their first European visitors knew back home. Mathematics, astronomy medicine were all highly developed among the Arabs, the Indians and the Chinese. It is wrong to call these civilizations backward. In an intellectual, moral and spiritual sense, several of them were far in advance of Europe. Europe was able to bring them all to their knees for one reason only: because she was more developed in purely material respects. She had achieved breakthroughs in the technology of war and of sea travels, which was the basis of he military conquests. And she had evolved industrial capitalism, along with its peculiar contempt for and exploitation of human beings and of nature" The basic elements of their capitalist transformation, he notes, were: "a healthy agricultural surplus; a class of entrepreneurs free to pursue wealth independ-

This story of necessity has to stop short. I hope I nave said enough of what I wanted to say.

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