

The new ADP How to implement it?

UNDAUNTED by poor implementation track-record, the National Economic Council (NEC) has announced a Tk 228 billion Annual Development Programme (ADP) for fiscal 2004-05. Of this, Tk 800cr will be allocated from the revenue budget for the ongoing small-scale development projects, representing bit of a synergy between development and revenue budgets. This is a new element in the development budget signifying the increased role of domestic resources in national development efforts vis-a-vis external resources. This basically falls in step with the growing pattern of domestic finances outstripping foreign aid disbursements for the ADPs over a period of time.

In fact, the local currency component of the ADP, 2004-05 is estimated at 65.78 percent with the rest coming in the shape of project aid and food-based programme aid. The relative high level of domestic financing signifies a measure of self-reliance. This is a positive development, even though it has been partly a product of an inclement foreign aid climate which forced us into relying more on our own resources.

In order to implement the ambitious ADP, 2004-05 we will have to critically depend on mobilisation of domestic resources on a level we have never tried before. Much to our relief, the finance minister has indicated that no new taxes will be imposed in the new budget to meet the domestic resource requirement. Only the tax net will be expanded for the purpose.

The rationale for tax base expansion is very strong in a country of 130 million where not even a million are tax payers. But revenue collection fell short of target in fiscal 2003-04 despite a slightly expanded tax net. So, what is crucial here is an efficient collection of revenues.

Of paramount importance to ADP implementation, however, is a guarantee that corruption in and wastage of public expenditure will be scrupulously avoided. The Implementation, Monitoring and Evaluation Division (IMED) of the Planning Ministry in a recent report unravelled the magnitude of corruption, irregularities and mal-practices they detected from on-spot inspection of 289 projects in fiscal 2002 and 2003. The total number of projects having been 1345, their findings obviously represented only a tip of the ice-berg. Unless we learn from such lessons and take corrective steps, our ADPs will remain an exercise in jugglery of figures as the physical targets go unmet to the shattering of the poor man's dreams for a better day.

Journalists' access to court-room

It serves people's right to know

IT is difficult to understand why the press was not allowed to cover first-hand the hearing of a petition on the High Court's stay order on the Dhaka-10 by-election. We heard that some noise inside the courtroom on the day the writ was filed prompted the restrictions on the scribes who were but part of a bigger audience in the room. Perhaps a word of caution would have helped.

We must not forget that the relationship between the judiciary and the free media has been close and mutually rewarding. They play a very significant mutually reinforcing role in establishing a free and just society. The main task of the judiciary is to establish accountability and transparency and the independent media plays a complementary role in it. Whenever journalists came under attack, judiciary supported the media when the matter was brought to its attention. The judiciary sometimes issued suo motto ruling taking cognizance of news reports. When slum dwellers had gathered around the premises of the High Court to press some point, the media brought it under focus so that they were persuaded to disperse. The independent media did not hesitate to condemn the behaviour of some eminent law practitioners who created a bedlam at the court premises and even kicked on the door of the Chief Justice's chamber.

That's how the relationship between the two sides developed over the years. We hope that this wouldn't be a blanket decision and that the learned judge will reconsider his decision and give access to the journalists inside the courtroom. In fact, in this particular case, the need for journalistic access is even greater having regard to the fact that the hearing was on an election that involved the people's right to vote and our collective concern for a free and fair election in a functioning democracy.

RUSHIDAN ISLAM RAHMAN

BANGLADESH'S recent success in growth performance has relied heavily on agricultural, especially crop sector, growth. This will continue during the coming years since this has a visible pro-poor impact and moreover, supports for agriculture are relatively easier to implement in the short run or even in the medium term horizon. However, this alone cannot provide the basis for a structural transformation of the economy and a sustained GDP growth with pro-poor bias. The I-PRSP and proposed PRSP related studies highlight two core components of poverty reduction strategy which should find concrete manifestation in this year's budget. These are

- Reduction of inequality and
- Ensuring pro-poor growth

Pro-poor growth will consist of growth of sectors which generate employment with higher productivity and higher wage/salary. This will be possible only through the growth of industrial sector and particularly small/medium enterprises based on hired labour. The process must be initiated before the limits of employment growth in agriculture is exhausted.

Budget is not only a process of channeling resources in particular directions. The national budget of 2004-2005 is expected to provide a vision of long-term sustained growth of the economy which is compatible with acceleration of poverty reduction in Bangladesh. Budgetary allocations and modification of incentives through specific proposals of the budget can provide a guideline about the vision of transformation of the economy. In the proposed budget poverty

reduction should not be viewed as isolated programme but as integral part of the growth process.

Such a vision does not exclude the need for continuing the emphasis on the currently performing sectors, namely agriculture and RMG. A lack of acceleration of agricultural growth during the last financial year has meant an increasing concern about support for this sector. Moreover, the need for stabilising food prices is expected to run supreme. Therefore the routes through which effective support can be channelled

the need for vision by the planners and policy makers.

In the present day world, traditional farming cannot continue to play the pivotal role of economic growth. But large scale capital intensive industries cannot and should not be created overnight. Bangladesh can neither afford such investment, nor is it desirable in view of its inability to absorb the growing labour force. Therefore, a new strategy of industrial growth must be planned along with tertiary sector policies to supplement such growth. Examples of such pro-poor

manufacturing. Entrepreneurs can thrive by drawing upon local labour force, especially the underemployed female labour force. An enabling environment for development of local entrepreneurship can be created through provision of low cost power, transport, communication systems and marketing services. NGOs and private sector financial institutions should be encouraged to extend suitable package of financial services. Protected areas for marketing and storage may be established as a component of the growth centres. A

and wood products, services like typing etc. and other non-conventional activities may be encouraged. Such programmes can link formal schooling with development of entrepreneurial skills.

Human capital development strategy must place emphasis on improving the employability of secondary educated school drop-outs, who are mostly poor. This is particularly important because the growth centres in the peri-urban areas are expected to draw upon

undertake such investment.

Growth of hired labour based industrialisation can reach a large number of assetless, low income, unemployed labour force which will in turn have a positive impact on wage and earning. Wage labourers in agriculture are employed only for a part of the year. Therefore the young school educated labour force are enthusiastic about regular employment. Generating employment for this group should be a part of the long-term development strategy.

The slow growth of real wage rate in agriculture and in informal sectors imply that the rate of GDP growth in these sectors are not keeping pace with the growth of labour force. A small manufacturing sector confined to large cities cannot influence the wage rate of workers at the source of supply, i.e. the rural and informal sectors. It is difficult to directly implement interventions in the form of minimum wage legislation for agriculture. Rapid growth of a regionally dispersed modern sector is, therefore, a top priority not only for a sustained GDP growth but also for transmitting a pressure on the wage rates in the informal sectors and agriculture.

It should be clarified that a national budget formulated with a long term vision does not conflict with the short term steps for accelerating GDP growth and for supporting the deserving components of economy and the society. Allocations for the traditional programmes of poverty reduction and inequality reducing human capital development must continue along with steps to implement the new growth strategy.

Dr Rushidan Islam Rahman is research director, BIDS

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to this sector are being discussed and a combination of traditional and innovative routes is likely to evolve.

The other deserving sector for support is RMG which will face the post-MFA phase. Strategies have been well thought out, although sometimes with inadequate emphasis on the interests of workers of RMG enterprises who will lose jobs in this new phase. Most of the formal sectors can voice their needs through their associations and business chambers which has been accomplished during the last few weeks. But no one is considering those sub-sectors/sectors of the economy which do not exist in a form so as to place their demand for channeling of resources. Here

growth programmes are being presented here, although a set of comprehensive suggestions is not being attempted.

In an inequality-reducing industrial growth programme, the following aspects deserve priority:

- Manufacturing growth must be accelerated and incentives should not aim only at raising present capacity utilisation but new enterprises must be encouraged. Special incentives must go to entrepreneurs of large scale industry in locations other than the major towns.

- Growth of hired labour based enterprises in regionally dispersed growth centres can provide an impetus to both employment generation and sustained growth of

few growth centres may be initiated as pilot schemes.

- Regional dispersion of incentives for secondary and tertiary sector activities can be an effective way to reducing inequality. Special schemes for depressed areas should be taken up. Infrastructure for linkage between semi urban growth centers and rural hinterland may help in direct and indirect employment generation.

- Pilot schemes of special non-conventional employment programmes for young school educated girls may be initiated through the secondary schools. Goods and services to be produced may target local demand and may also be supplied to urban centers. Nursery items, furniture

these sources of surplus labour. All vocational and technical training promoted through public investment must link training with effective employment generation.

- Year after year, the relevant organisations of the government are trying to think of steps to attract FDI but with not-so-encouraging results. It is unlikely that success on that front will be bright while our own investors are not coming forward. Investment growth rate is not showing the expected impact of policies for easing the constraints on the supply side of investible funds. Domestic investment growth requires innovative steps to encourage demand side so that entrepreneurs are encouraged to

The new American gulags



M ABDUL HAFIZ

ONCE dreaded by Soviet-dissidents the harshness of gulags as depicted by Alexander Solzhenitsyn in his 'The Gulag Archipelago' pales into insignificance when compared to what have happened now to the inmates of Abu Ghraib, Guantanamo and many other secret CIA prisons that sprouted at the US' behest in the wake of her global war on terror. The notoriety connected with Siberian gulags is almost wasted away with the prison tortures perpetrated by the Americans. During the cold war period the West made much out of the infamous labour camps known under the rubric of gulags that remained scattered like an archipelago through the Soviet Union. Now faced with a prison scandal of much greater seriousness as graphically described in March 9 report of Major General Antonio Taguba the Bush Administration is

concerned about its exposure than its contents. But as the miasma of horror stories spread Robert Myers, the chairman of the joint chiefs of staff, was despatched on a mission to CBS news to tell it to suppress its stories and horrifying pictures of the prison 'abuses.'

embraced Geneva conventions after the second world war to protect its soldiers. But for the inmates of American gulags filled in with the non-Americans the only law that applies is whatever the executives deem necessary. Rumsfeld

ers in Abu Ghraib and elsewhere is so poisonous in its symbolism that it defies belief. How could any one except perverts resort to sexual abuse and humiliation of naked Muslim prisoners? How could they be urinated on and sodomised? Some of the high-

is the way America does things when it goes abroad. The American constitution does protect its own citizens. But it hardly applies to the aliens incarcerated in Camp X-ray at Guantanamo or Abu Ghraib in Iraq. The Americans' conducts there explode the myth that a

defeating way to bring civilized values to those whose hearts and minds are real battle ground of the 'war on terror'!

Senate Armed Forces Committee was recently briefed by Rumsfeld about the death of 25 prisoners and two murders in war by private contractors. These contractors were brought to Iraq as a part of Bush's strategy of keeping Iraq under occupation with a lighter regular force. Even if they are blatantly in the role of mercenaries they are subject neither to Iraqi law nor the US' military court of justice. There are estimated twenty thousand men in this category and they are at the centre of recent scandal as interrogators and guards of Abu Ghraib prisons. Under the Bush legal doctrine a system has been created which is beyond law but entrusted with the defence of the rule of law and to defend democracy by inhibiting democracy.

Abu Ghraib has been a predictable consequence of the Bush Administration imperatives and policies. The more will they linger the larger will have to be the extent of the gulag created by it.

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PERSPECTIVES

Even though the US officials profusely regretted the excesses and even apologised, none has yet been held responsible or fired. "Their treatment does not reflect the nature of American people", said President Bush plaintively. "That's not the way we do things in America", Bush added. But sadly it is the way America does things when it goes abroad. The American constitution does protect its own citizens. But it hardly applies to the aliens incarcerated in Camp X-ray at Guantanamo or Abu Ghraib in Iraq. The Americans' conducts there explode the myth that a "freedom loving nation" like America built on the ideals of Thomas Paine, Benjamin Franklin and Thomas Jefferson could never do such things.

The chilling accounts of some forty to fifty million Soviet citizens who were condemned to long sentences in gulags both before and after this second world war have scarcely been erased from the memory when ironically new American gulags filled with terror suspects have indeed come up with yet more ugly face. They now stretch from Afghanistan to Iraq, from Guantanamo to mtleem secret CIA prisons around the world. Also there emerges a spanking new system for those incarcer-

ated this system -- 'A legal blackhole' according to Human Rights Watch -- to Afghanistan and then Iraq -- openly rejecting the Geneva conventions. As a result thousands of detainees in American gulags remain unseen without charge sheet or trial.

The Soviet gulags aimed, at the best, at psychologically breaking a defiant dissident, but the new ones have been dehumanising their inmates by robbing them of human dignity. The systematic torture of prison-

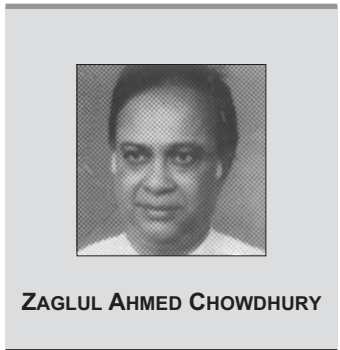
lights of Taguba report are until for print for their sheer obscenity. Yet these are perpetrated by powers that invaded on a promise to bring the rule of law and human rights.

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Tony Blair's foreign policy adviser, Robert Cooper who is credited with the elevating double standards into a doctrine is even more stark in declaring that human rights are only for the civilized: Among ourselves we keep the law but when operating in the jungle we must also use the laws of the jungle. What a self-

West Bengal political scene: Qualitative change after polls



ZAGLUL AHMED CHOWDHURY

THE national elections in India have drastically changed the political scene of the country with a coalition new government headed by main opposition Congress taking over the rule of world's largest democracy belying most forecast and assessment. The outcome of the polls has also influenced in varying degrees the political set-up of different component states of the federation and certainly West Bengal is one of them. The leftist-ruled state is now at the vanguard of interest because for the first time since the independence of India the leftists have become so powerful that a government is heavily dependent on their support and

they are in a position to call shots even though not directly involved in the governance.

The leftists did extend such support earlier to their like-minded governments and some of them like the CPI also directly participated in the government but never before their ascendancy could so enormously be felt as much as now. The leftists have captured 62 seats this time in the 543-member Lokshaba, which is the highest so far and are uniquely placed to considerably influence the fate of the United Progressive Alliance (UPA) which has taken over from the rainbow coalition of the National Democratic Alliance (NDA). But the relationship of the leftists with the Congress and the allies has not been a sudden or unexpected development since it was a forgone conclusion even before the polls that the leftists would support a secular government in place of the NDA which they saw as communal and not serving the cause of the people.

West Bengal is the citadel of the Indian leftists and they have succeeded in maintaining their rule in the state for an uninterrupted

twenty-six years, something unprecedented in the present day world where communists have retained power through democratically elected government. Their performance in the voting is simply amazing since it is taking place at a time when international commu-

compared to West Bengal because of manifold reasons. West Bengal has 42 seats in the federal parliament compared to 20 of Kerala and only two of Tripura. Furthermore, rule changed hands in those states unlike West Bengal during the last quarter of a century.

while the Trinamul fared no better as its strength reduced to an alarmingly single seat from eight before. The Congress increased its number to six from three and this is a good showing given the fact that the party is not a force to reckon with here for many years

the state's politics a few years ago by breaking away from the main Congress, has also lost her earlier image since the elections have weakened her party substantially and also her personally. Mamta managed to win the only seat for the Trinamul from Kolkata

gence and rise of the Trinamul and sadly, she is also responsible for its sordid state today. She claims to be secular but forged alliance with the BJP, widely seen as communal, and this cost the party the sympathy of the minorities, which was enjoyed by the Leftfront as well as the Congress.

Besides, Mamta was also considered as "opportunist" despite admired for her simple life and oratory, because she quit federal NDA ministership and formed alliance with the Congress before the last state assembly polls in West Bengal, as she was keen to become chief minister! The alliance miserably lost to leftists and Mamta only after a long wait again became federal minister with a less important portfolio. This has tarnished her image. The recent polls have thrown her into a kind of political non-entity even though she may have the capacity to bounce back in the future.

The polls have made Congress a dominant national political force and leaders from West Bengal Pranab Mukherjee and Priya Ranjan Das Munshi emerged important as senior

nist movement faces a critical time following the collapse of socialist giant Soviet Union. Besides, in India too no other party government in recent times could maintain such a strong grip on power. Two other Indian states -- southern Kerala and tiny north-eastern Tripura are also strongholds of the leftists but they are less important

The ruling Left front in the state which had 29 of the 42 seats in the last Lokshaba, this time further increased its tally by taking the figure to 35. The progress was at the cost of the Bharatiya Janata Party (BJP) and it ally Trinamul Congress headed by Mamta Banerjee. The BJP, which had two seats, this time has drawn a blank

although once it was the dominant force. The stake of the BJP is also not big in West Bengal as it has always a scant presence but the biggest casualty is certainly the Trinamul which is restricted in this state only and used to be seen as a potential threat to the leftists. Its leader Mamta Banerjee, who caused a storm in

but with a much reduced margin and lost two others in the state capital, which was earlier a bastion for the organisation. The results have sent shock waves through the party and uncertainty hangs over the Trinamul while the leadership of Mamta Banerjee is also coming into questions. Many feel she was the architect of the emer-

MATTERS AROUND US

The Congress and the leftists are at loggerheads in the state politically even though they have come closer at the centre in the formation of the government. It remains to be seen how they manage their ties in the state and at the centre. It is expected that the ruling Leftfront would continue to face the opposition of the Congress in the state but the two would work closely at the centre -- albeit likely differences occasionally on certain issues since the leftists are not directly involved in the running of the Indian national government and do not see eye to eye particularly on economic issues with Congress.