

# Journalist killing spells doom for society



MD. ASADULLAH KHAN

crime situation in Khulna, especially voicing disgust, anger, and protest at the ineffectual and flawed investigation of the killing of Manik.

In the Manik Saha case, none of the 12 charge-sheeted accused belonging to outlawed organisation Janajuddha could be rounded up. In this case, in the final report, the name of the godfathers masterminding the attack was missing. In the Shamsur Rahman (killed in Jessore in 2001) case, most of the charge-sheeted criminals are evad-

shattered economy and a mafia-infested country. But the mafia infested regime has obviously continued to flourish and this has serious repercussions since it puts normal living, business activities, and investment climate into jeopardy.

Dhaka, Chittagong, and Khulna have attained the dubious distinction of being a criminal's paradise, where the most heinous crimes are committed at will with alarming frequency. Armed with most

Far from inspiring confidence in the administration, these measures and assurances that seem to be mostly hollow, have increased the sense of insecurity among the people. Shockingly, the administration's blatant failure to book the perpetrators of journalists' killing one after another have thrown the journalist community into utter despair and many of them are under pressure from their families to leave this hazardous profession. Unless the government takes some drastic

anarchy.

The cult of terror, extortion, abduction, and killing began in the late 80s in this second industrial town of Bangladesh when its jute mills, the lone newspaper mill, shipyard and Mongla port activities ground to a halt. Large sections of the adult populace in Khulna and adjoining districts Jessore, Faridpur and Barisal swarmed Khulna for work, but livelihood waned suddenly out of employment. Evidently that sorry state of affairs marked by poverty and joblessness bred the ideal situation for criminality of all hues. But crime has now expanded and engulfed the entire southwestern region of the country and even the political system. Neither of the parties has proved to be immune to the contagion.

# Global economic order and developing countries



QAZI KHOLOUZZAMAN AHMAD

ing countries, implementation issues, technology transfer, and commodity issues), they sought to relegate to the back burner those issues in 2003 in Cancun by insisting that the Singapore issues (viz., relationship between trade and investment, interaction between trade and competition policy, transparency in government procurement, trade facilitation) must be taken on board. In fact, as an agency of the United Nations which has proclaimed: 'We the peoples ...', thereby embracing all homo sapiens as equal partners of the global society, WTO should focus on fair

contributors to this global warming process, including countries in both developed and developing worlds, are also continuing their greenhouse gas emission activities without restriction. Regarding capacity building in the developing countries, commitments made by the developed countries under various Protocols and Declarations for financial and technology transfers have remained mostly unfulfilled.

Clearly, therefore, the process of global economic integration, promoted by neo-liberal globalisation, has been accentuating global diversity, with most of the phenomenally increased global wealth and technological advancements being at the disposal of the developed countries. Within countries also, the existing glaring divergence between the rich and the poor has been increasing further in the wake of globalisation. The emerging global economic order is, therefore, under severe strains and tensions. The challenges and disadvantages that the emerging global economic order has been generating for the developing countries are so much more than the opportunities created for them.

Can corrective measures be formulated and implemented to establish a fair world economic order, which will enable all nations -- big and small, rich and poor -- to participate effectively in its management and benefit equitably from the fruits it generates?

The Millennium Development Goals (MDGs), formulated by the United Nations, focus on issues of deep concern in the developing world. These issues include poverty reduction, promotion of universal primary education, promotion of gender equality and empowerment of women, reduction of child mortality, improvement of maternal health, ensuring environmental sustainability, increasing access to safe drinking water and proper sanitation. There is a lot to be excited about the MDGs, given their relevance to the developing countries, including Bangladesh. However, the question remains as to how far these goals can be achieved within the on-going neo-liberal globalisation framework, which has been accentuating disparity and exclusiveness among and within nations. In fact, according to UNDP Human Development Report 2003, 54 countries are now poorer than in 1990. Also, during the same time span, the proportion of people going hungry has increased in 21 countries, and life expectancy at birth has fallen in 34.

The concept of sustainable development that focuses on not only economic growth but also on social progress and environmental sustainability and recognises the centrality of the human being in the process has been showered with a lot of rhetorical support in 1992 Rio Earth Summit and 2002 Johannesburg World Summit on Sustainable Development (WSSD) as well as in many other conferences and forums between the Earth summit and the WSSD and since WSSD. But, in practice, it is the free-market globalisation that is being pushed forward by the international dominant powers through such institutions as the World Bank, the IMF and the WTO and, also, using bilateral mechanisms, virtually discarding the concept of sustainable development for all practical purposes.

The issue of environmental sustainability receives a lot of rhetorical attention, but not much in practical terms. Apathy on the part of the rich countries and lack of human and financial capability as well as of far-sight on the part of most of the developing countries are allowing the process of environmental unsustainability to continue to accentuate.

Finally, let me make a point, which is recognised widely and is worthy of repeating. The global economy today is able not only to feed all the world's inhabitants, but also to offer opportunities to all of them to live in human dignity. Obviously, it is a question of distribution across and within nations; and the distribution can be equitable only if the international institutions and governance as well as national, social, economic market, and political processes are democratic and participatory, underpinned by ethics, morality, and human values. Only under such reshaped international and national economic orders can a country like Bangladesh and its people secure a better tomorrow in terms of equitable economic progress and social development and a worthy place in the comity of nations.

The USA, the largest contributor to the global emission of greenhouse gases that are responsible for global warming, has withdrawn from the Kyoto Protocol on control of emission of greenhouse gases, thereby jeopardising the prospect of the Protocol to come into effect. The other significant

It has to be said ad nauseam that the criminal laws of the land are inadequate to secure the punishment of such murderers and extortionists. What is lacking, however, is proper judicial administration, resolve, and lastly, executive nod. It is ironic that judicial activism and state run policies have never addressed this problem nor demonstrated its concern for the journalists, let alone ordinary peoples' security. No wonder politicians and policemen are encouraged to short-circuit the process.

ing arrest or are now out on bail. The same goes for Saiful Islam Mukul who was killed in 1998 and Harun ur Rashid who was killed in 2002.

Drastic changes in police administration in Khulna have come and gone in the last few years, but the one thing that hasn't changed in Khulna is the law and order situation. Tragically enough, in recent times the law and order situation slipped so drastically that the mayor and minister in charge of Khulna admitted the failure of the police administration to control crime and made the somewhat uninspiring gesture of relinquishing his job.

The ruling alliance speaks in parliament and in the media of the good work done by the police, but the multi-pronged strategy launched to combat crime draws only jeers from the unconvinced citizenry. The words also seem hollow because a good number of influential political leaders and some insiders who prop up the government are history sheeters. Shockingly, some such insiders have been indicted in the recent currency racketeering detected at the Zia Airport. Several incidents this year have established that many of these political giants are still running mafia gangs in their region.

Patronage of criminals by politicians and a demoralised police force have pushed up crime in the country. During the past year, there has been an alarming increase in murder, dacoities, and looting compared to the corresponding period last year. The present alliance government tried to absolve itself of all blame saying that it had inherited a

sophisticated weapons, mafia dons have become a nightmare to the ill-equipped and ill-trained police in the large metropolises. For the past year or so, the country has resembled a circus. One wonders if there is anything remotely close to a government having administrative control of the country. The administration, apparently has been obliged to play second fiddle to either Bangla Bhai group in the northern part of Bangladesh or PBCP (Janajuddha) in the southwestern part of the country.

Having committed the most atrocious crimes including about fifteen murders, Bangla Bhai and his operatives are virtually running a parallel empire. Should people be inclined to believe that the honourable persons adorning the government are there on the strength of their supposed competence? Surely, to give the country a semblance of governance, one has to rise above cadre politics whose raison d'être is self-enrichment. If politicians of integrity and competence allow themselves to be browbeaten by their less wholesome colleagues, should they not share the responsibility for the disgraceful state of affairs?

The murder of scores of businessmen in Dhaka and Chittagong at the behest of cadre politics has struck terror in the city's business community. The administration has been assuring stringent measures against killing, extortion, and abduction of business people and journalists as well as other members of civil society, who are up against such menacing brutality and crime, but precious little has been achieved.

measures to provide security to the members of this vital community, democratic values would be put to severe test. Given the fact that the present alliance government has been in power for more than two years with such an impressive majority, there was so much this government could have done to give governance a new direction, but they did nothing but tinker. They tinkered with economic reforms instead of giving them a new thrust. Somehow they forgot that law and order was their first priority.

Should the government be reminded again that unless the law enforcers are given a free hand to curb crimes and criminals, regardless of party affiliations, mere spending of crores of taka on import of sophisticated weapons will be of no avail. The tragedy perhaps could have been avoided. For some time now it was reportedly known that the outlaw organisation, the PBCP gangs operating underground, had been hurling death-threats at Humayun Kabir Balu, and Balu reported the matter to the police. It has been reported that Balu survived some previous attacks also. Balu, Manik Saha, Shamsur Rahman and their like tried to identify trends in the society and trace the tensions that lie underneath. Killing of journalists in the southwestern region of the country one after another appears to be the only logical culmination of years of soft pedaling and apathy to such a grave issue, which has totally discredited the administration, and allowed criminals and armed gangs to hold sway over a region which is now on the brink of

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# The end of cheap money era in the United States



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cent to 1 per cent. The US rate has been the lowest among the major industrialised countries of the world except Japan (0.10 per cent), which for a number of years has enjoyed (or suffered) near zero interest rate because of falling prices (deflation). While the current inter-bank rate in the UK is 4.50 per cent and 5.25 per cent in Australia, in the euro area it stands at 2 per cent.

The principal reason for Mr. Greenspan's recent announcement

too high and too fast, which would create havoc to many companies and families, who have acquired properties and assets worth billions of dollars during this long period of cheap money without worrying too much about the level of their indebtedness. He does not want to provoke an uncontrolled slow-down of the economy either, which has grown at an average annual rate of 5.6 per cent for the past nine months or so. No one is sure of the depth and possible duration of this recovery.

ter of 2004. No doubt, this situation is partially due to high oil prices -- the US continues to be the world's number one importer of crude oil. This situation together with its huge fiscal deficit (caused by Bush's reckless tax-cut policy) is weakening the dollar, thereby increasing the prices of imported goods. According to some analysts, the US government may be forced to borrow \$5 trillion or more over the next 10 years to finance these deficits which will inevitably force the

lar's rally against the euro (fed by expected interest rate increases) may be short-lived.

The Fed is scheduled to meet twice (on August 10 and September 21) before the November presidential elections. An increase in the rate of interest will most probably hurt the current incumbent of the White House. Now the big question is: Following his gradualist policy, will Mr. Greenspan dare raise interest rates again before the election? If Mr. Greenspan's past record at the Fed is anything to go by (after the end of the first Gulf War, he refused to manipulate interest rates to favour Bush senior's chances of victory), my guess is that Mr. Greenspan will not hesitate to take difficult decisions if he feels that they are necessary for a steady economic recovery in the United States.

## LETTER FROM EUROPE

**The US government may be forced to borrow \$ 5 trillion or more over the next 10 years to finance deficits which will inevitably force the interest rates to rise because the simple rule in economics is: If the demand for a commodity (in this case money) goes up, the price (in this case interest) should go up as well. Unfortunately, higher interest rates in the US have a negative impact on debt-ridden developing countries as well because debt-financing and debt-repayments become more expensive.**

of a "measured increase" in the interest rate is the fear of inflation, which has been creeping up slowly. Actually Mr. Greenspan has himself been warning since last year that the benchmark rate of 1 per cent could not be sustained any longer without fuelling inflation. According to many analysts, inflation is still under control but, if corrective measures are not taken now, things may get out of hand. (No one wants to go back to the double-digit rates of the seventies.) In the US, while annual inflation up to May, last year was 2.1 per cent, this year the rate has shot up to 3.1 per cent for the same period. There is also a clear tendency that it will go up even further in the next few months, if measures are not taken now. There is a similar inflationary trend in the EU, where annual inflation to May has risen to 2.5 per cent. (In Spain, it now stands at 3.5 per cent). The European Central Bank had forecasted a maximum of 2 per cent for the euro area. True, in both cases, the main reason for this rise has been higher oil prices. In China, inflation may exceed 5 per cent at the end of the year. Even Japan, which for years was in a deflationary situation, consumer prices have stopped falling. There are clear indications that this year, the consumer-price inflation will be positive. Now the question is: Is this small increase in American interest rate enough to head off inflationary pressures?

Here, Mr. Greenspan is performing a delicate balancing act. He realises that such a low interest rate is not enough to stave off inflation. Yet he realises that he cannot raise it

True, productivity growth has been spectacular and hundreds of thousands of new jobs have been created. But Mr. Greenspan, as the head of the Federal Reserve also wants to keep inflation under control, hence this policy of measured increases in the interest rate over a period of between 12 and 18 months.

According to some economists the US economy still has considerable "slack". The more slack there is in an economy, the better the chances are for keeping the inflationary pressures under control. Even though the employment situation is better than before, still there are many millions of unemployed or underemployed workers in the labour market and by all accounts considerable spare factory capacity is also available in the industrial sector. The unemployment rate now stands at 5.6 per cent and the industrial capacity utilisation is 76.9 per cent. So Mr. Greenspan hopes that by keeping a close watch on the pace of economic growth, the unemployment situation, the wage pressure and by raising the interest rates gradually to a maximum of say, 4 per cent by the end of 2005, he will be able to maintain control over the economic recovery and the inflation.

However, at present there are several other economic factors at play and it is difficult to foresee how they will affect Mr. Greenspan's gradualist policy. The latest published figures indicate that America's balance of trade and current account deficits are not getting any better. On the contrary, the current account deficit has reached a record 5.1 per cent of GDP in the first quar-

interest rates to rise because the simple rule in economics is: If the demand for a commodity (in this case money) goes up, the price (in this case interest) should go up as well.

Unfortunately, higher interest rates in the US have a negative impact on debt-ridden developing countries as well because debt-financing and debt-repayments become more expensive.

Although some analysts expected the European Central Bank (ECB) president, Mr. Trichet to follow the Fed policy, on the 1 of July, he completely discarded any such idea for the moment. Of course, he kept the door open for a rate increase at the end of the year. The ECB is forced to pursue this policy because of uncertain economic recovery in the euro area. In fact, in Germany, which happens to have the largest economy in the euro area, retail sales declined 1.5 per cent in May. This fragile situation was further underscored by an unprecedented agreement between Siemens and IG Metal, Germany's most powerful union, under which the workforce was extended from 35 hours to 40 hours without an increase in the wages. Meanwhile, higher interest rate (the speculators are convinced that this modest increase is only the first in a series of increases to come in the near future) in the US should strengthen dollar against the euro, which in turn should help the euro area's export efforts. This, in turn, should help this area's economic growth, which is lower than that of the United States. However, one should add a word of caution here. For reasons explained above, dol-

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