

## How helpful is the new pay scale?

A.N.M. NURUL HAQUE

THE government approved on May 16 the much talked-about sixth new pay scale for the public sector officials and employees, fixing the highest and lowest basic salaries at Tk 23,000 and at Tk 2,400 respectively. The government will start implementing the sixth pay scale from next month in three phases with retrospective effect from January this year. The new pay scale was approved raising salaries by 53 percent on an average, for all public servants of 20 grades. The government considered re-fixing pay scales of the officials and employees of the government and other autonomous bodies in view of the increased cost of living. With the introduction of the new pay scale, the present government fulfils one of its election pledges.

Earlier the government had constituted the sixth national pay commission in July last year headed by former cabinet secretary Mujibur Haque and gave a time frame of six months to submit the report. But the deadline for submission of report was extended to January 31 from December 31 due to two consecutive floods. Later, the report was submitted to the Prime Minister on February 2 and a secretary committee headed by Cabinet Secretary Dr. Saadat Hossain was formed to review the report. The Secretary Committee had suggested four pay structures -- a maximum basic pay of Tk 25,500 and minimum Tk 2,600, maximum Tk 24,000 and minimum Tk 2,500, maximum Tk 23,500 and minimum Tk 2,450 and maximum Tk 23,000 and minimum Tk 2,400. The government finally approved the lowest one. It may be mentioned here that the last pay commission, which was introduced in 1997 was also headed by Mujibur Haque, the chairman of this pay commission.

Since independence of Bangladesh, five national pay scales were introduced in 1973, 1977, 1985,

1991 and 1997 for the government employees, following reports submitted by the pay commissions. The first pay scale framed in 1973 put the lowest scale at Tk 130 and the highest at Tk 2000. The second pay scale announced in 1977 put the lowest scale at Tk 225 and the highest at Tk 3000 (fixed). The third pay scale introduced in 1985 put the lowest scale at Tk 500 while the highest one was fixed at Tk 6000. The fourth pay scale framed in 1991 was with the lowest scale at Tk 900 and the highest at Tk 10,000 (fixed). The fifth pay scale introduced in 1997 put the lowest scale Tk 1500 and highest at Tk 15,000 (fixed). If we analyse all the national pay scales, we find that, the ratio between the lowest and the highest

This has been reported by the Centre for Policy Dialogue, a leading non-government organisation. Economists observed that the sixth pay scale has not been adjusted with real income erosion caused by increasing inflation. It is roughly 8 to 10 percent lower than the required level of rise to protect real income. It was in 1997 when government partially implemented a new pay scale. Since then, there has been no adjustment of the government officials' and employees' salaries with the inflation.

The annual rate of inflation calculated on the basis of consumers price index, has increased to 7.35 percent by the end of September-2004, according to the latest available statistics with the Bangladesh

poor salaries, as the better qualified and competent people would not join at such a meagre salary. The existing poor pay structure had also been widely believed to nourish the widespread corruption among the government employees. The poorly paid government employees would be forced to become unscrupulous and would use their official position to earn extra money to meet their normal needs. If we compare the pay structure of government employees with that of the private sector, that will only aggravate their agony and anguish. Those who are working in the private sector like the banks and insurance, vis-à-vis their respective counterparts in the public sector, have a very wide gap in their pay structure. The public sector

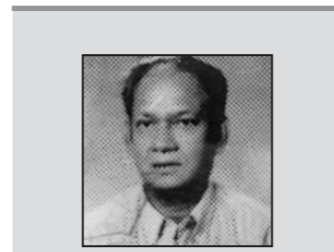
with handsome emoluments the government is sure to run its affairs more efficiently than the present.

The government will require Tk 5.76 billion to implement the first phase of the pay scale, Tk 16.43 billion in the second phase and Tk 17.65 billion in the third phase. The government has approved the lowest scale of pay as there is a pressure from the World Bank and IMF not to implement proposed pay scale fully. On return from Washington where he had consultation with the World Bank and IMF executives recently, the Finance Minister had said the pay scale would be given by May 20 despite objections given by the donors. An IMF team ending a two-week economic review mission on April 9 suggested phasing the new pay scale over the next three years -- one installment a year -- considering the fiscal management and inflationary situation, and government did accordingly.

If we refer back to the recommendations made by the successive pay commissions we get an idea that the government did not accept all the recommendations as had been made by the pay commissions. The government constituted the 6th pay commission with some reputed educationists and professional experts. As such it was expected that the new pay scale would not be an old wine in the new bottle if the government accept all the recommendations made by the pay commission. The cabinet accepted 80-90 percent of the recommendations made by the secretary committee, claimed Saadat Hossain, who himself headed the committee. Meanwhile, some leading economists say that the new pay scale will bring little benefit to the lower-class employees and the majority of the public sector manpower, as their income is not increased corresponding to their needs. Another important point is that, a pay rise in no way spikes a price spiral in the market to eat up the benefit.

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## Gen. Jagjit Singh Aurora and Bangladesh



ARSHAD-UZ ZAMAN

THE turbaned, bearded Indian General Jagjit Singh Aurora is not only a name but his is a household face throughout Bangladesh. His death, therefore has special meaning and poignancy in every Bangalee heart. How many people in Bangladesh will not be able to spot the photograph of the Sikh General calmly witnessing the signing of the surrender document by the defeated Pakistan General A.A.K. Niazi at the Race Course (Suhrawardy Uddyan) on the sun drenched afternoon of 16 December 1971?

Gen. Aurora was the chief of the joint command of the Indian Armed Forces and Bangladesh Mukti Bahini during the nine-month campaign to oust the Pakistan military from the soil of Bangladesh. From its inception shortly after the attack by the Pakistan army on Bangalee civilians in March 1971, Gen. Aurora took command and the Mukti Bahini started getting trained in right earnest. It emerged as a valuable auxiliary force and Gen. Aurora has warmly praised the role of the Mukti Bahini.

It must be noted that the Joint Command carried on a brilliant campaign and within two weeks of the start of the hostilities succeeded in obtaining the surrender of 93,000 well trained Pakistani troops. Interestingly the fiercest resistance it met was in the Jessore area. The entire Bangalee population

### THE HORIZON THIS WEEK

In the thousand plus years of our history true independence for the Bangalees has come only once. That was on 16 December 1971. And the photograph that stands out is Gen. Jagjit Singh Aurora watching the signing of the surrender document by Gen. A.A.K. Niazi as Gen. Khondoker representing the Bangladesh forces looks on. In terms of emotions attached to a single event, no other event has its parallel.

responding to the directive of Bangabandhu Sheikh Mujibur Rahman at the Suhrawardy Uddayan on 7 March 1971 (turn every home into a fortress ...) had joined heart and soul to the Liberation War. Thus Gen. Aurora was fighting in friendly territory.

As Gen. Aurora's brilliant fighting machine rolled on, a brilliant campaign was launched to demoralise the Pakistan forces. The airport was heavily bombed and terror was sowed in the hearts of Pakistan bigwigs that they were trapped. The Governor's House (the present Bangabhaban), where a Cabinet meeting was in progress was the target of selective bombing forcing the hand picked Governor Malek and his Cabinet to seek the safety of Hotel Intercontinental (now Sheraton), temporary home of the Red Cross.

In desperation Pakistan sought the help of the Security Council. Pakistan master actor Z.A. Bhutto played his role with a great deal of theatrics but was became helpless before the rock of Soviet Veto, a Permanent Member of the Security Council. Despitred and demoralised Pakistan General A.A.K. Niazi signed on the dotted line at the Suhrawardy Uddyan, from where the Father of the Nation

Bangabandhu Sheikh Mujibur Rahman had given his clarion call on 7 March, the fight this time is the

fight for emancipation, the fight this time is the fight for independence.

In the thousand plus years of our history true independence for the Bangalees has come only once. That was on 16 December 1971. And the photograph that stands out is Gen. Jagjit Singh Aurora watching the signing of the surrender document by Gen. A.A.K. Niazi as Gen. Khondoker representing the Bangladesh forces looks on. In terms of emotions attached to a single event, no other event has its parallel.

It is a sad that the elected Government of Bangladesh seemed to have chosen to close its eyes to the death of Gen. Aurora, with whom through the greatest event of our history we have been associated. His comrades in arms from Bangladesh Liberation Army have been effusive in their praise of him. It is a great pity that neither the President of the Republic nor the Prime Minister thought it fit to send message of condolences. There has not been a single explanation from the Bangladesh authorities.

We as citizens of Bangladesh have often to face the criticism of being 'ungrateful as a nation. Don't we often prove the point?

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## Technocratic elite supplanting capitalist elite?

BILLY I AHMED

AT the dawn of the twentieth century most of the world was divided into a small number of great empires grappling for power. Each had some level of popular representation, but in quintessence these empires were governed by privileged elite of land owners with aristocratic origins or pretensions. An emerging capitalist class was gaining in influence everywhere.

In a span of twenty years, a deep-seated new communist model of social organisation emerged from the ruins of Russian Empire and proclaimed a world revolution. Democrats promised to impose their worldview as well. Britain and the United States were the surviving representatives of the new deal

democracies which, while having experienced no governmental overthrow as such, had been metamorphosed during the twenties and thirties. In Italy and later Germany, fascist governments arose and they exhibited dynamism that also promised a new world order. Amongst the great powers, only Japan retained a semblance of adherence to traditional imperialism.

At issue among the competing ideological standpoint positions were questions such as governmental form, in which the communists and fascists endorsed a one-party dictatorship in opposition to the multi-party, rotating, rule found in the democratic countries. Fascists and democrats agreed on private ownership for the means of production while communists favoured state or public ownership.

Democrats and communists accepted the principle of individual freedom (though they derived rather different conclusions from it) while fascists did not.

Long-term accommodation among the competing ideologies proved inconceivable. Outbreak of World War II produced a temporary alliance between communism and democracy for the purpose of defeating fascism. The alliance between communists and democrats broke down before the fighting stopped. It seemed to last only long enough to ensure that fascism was defeated and discredited.

The "allied" victory, doubtlessly demonstrated the miserably poor performance of the fascist states in comparison to the stunning efficiency achieved by democratic and communist countries. By the time the

war ended there was relative clarity about the need to have either dictatorial state ownership or multi-party private ownership of the means of production in order to achieve efficiency.

There was no certainty, however, about which of the two persisting ideologies would eventually prove itself superior to the other. There could be little doubt about the fact that communist planned industrialisation in the prewar Soviet Union managed to produce the conditions necessary for the USSR to survive the fascist challenge (albeit with democratic help). It is doubtful that the democratic model could have done the same. A "cold war" broke out between democrats and communists in the wake of the devastation produced by the world war. Neither side sought a final reckoning; a neo-imperialist competition was rationalised instead.

Communist growth rates easily outpaced those of the democracies in the first postwar decade and this was reason enough to believe that communism would ultimately "bury" democracy. Early communist successes in the military, political and economic arenas proved fleeting. By the beginning of the last Cold War decade the balance had already swung grim in favour of democracies. Communist military and economic policies proved irrational and calls for the abandonment of the commitment to communism began to arise from within those states which adhered to it. In 1989 the Berlin Wall came down and the following year, the American president declared victory

at the "end of the Cold War" and announced a "new world order".

Now the surging technological and price wise competitive industrial growth of this millennium in Asian countries like China, India, South Korea and many developing countries have become a great concern for the capitalist countries as they see a new technological elite surfacing.

The recent row of twelve state members of the European Union to curb cheap textile export from China, expressing fear of job-cut in their textile industries is an example of the technocratic elite rapidly growing in Asia.

France is already alarmed, Patrick Devedjian, French Industry Minister, said in an interview, the surging Chinese imports could cost Frances' textile industry an extra 7000 jobs this year, which is the third biggest in Europe.

To stop self deficiency by the developing countries, the rich nations are going beyond European Union, like involving WTO (World Trade Organisation) in their support by weird trade barriers that favours the rich countries at the miseries and distress of the developing countries.

Thus, this emerging new defined technocratic elite is signaling the supplanting of the established capitalist elite in wealth and power at the end of the twenty-first century -- much as the capitalists had done with aristocrats around the end of the nineteenth century.

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