

US' support for our democracy roadmap

The political course is for the people to determine

WE take note of the US charge d'affaires (CDA) Geeta Pasi's Sunday meetings with the senior leaders of AL and a faction of the BNP. This along with her plans to meet few other political leaders is likely to give an impression of her evincing more than normal diplomatic interest in our internal politics. We welcome some aspects of the US' interest, but unambiguously state that it is our people who will ultimately protect and determine the future course of our democracy, not foreign powers.

Admittedly, involvement of some diplomats in our country's politics is somewhat more intense and direct, than is the case in many other countries. Even then we are taken aback, come as the meetings do at a time when the country is on the road towards implementing the electoral roadmap announced by the EC. We are all set on course for the December election, and thus we fail to understand what compelled the US CDA even then to remind us of the scheduled election date.

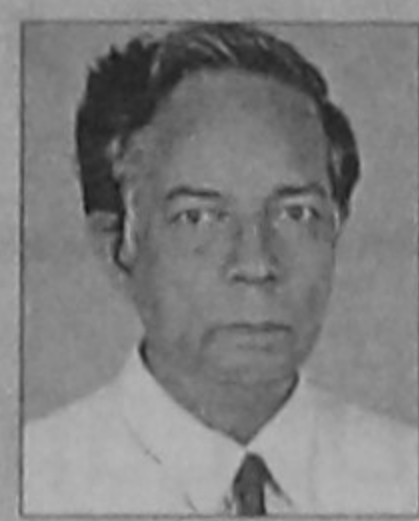
What the US acting head of mission said in respect of the proposed national election has already been articulated by the CEC and reinforced by none other than the Chief Advisor himself on many occasions. Add to this the unequivocal statement of the CAS to keep the armed forces aloof from politics and we have no ground to doubt the commitment of the concerned institutions to stick to the timeframe.

However, if there has been an involvement of some diplomats in our internal affairs, it can be attributed to a tendency on the part of political parties to seek intercession of diplomats to resolve political differences. This is not only demeaning for a self-respecting nation, it also speaks of the political parties' immaturity and lack of prudence. Interestingly, when the opposition tries to invoke the help of our foreign friends it is castigated by the party in power only to do the same when it is in the opposition.

Having stated the above, we find the support of the US government for the democracy roadmap indeed heartening. It is also the desire of the people to see it implemented as per plan.

It must be reemphasised that the country's political course will be determined by none other than the people through the parties that represent them. How successful the parties will be would depend on their wisdom and political acumen.

The twin terrors



MD. ASADULLAH KHAN

THE prospect is horrifying. Barren fields, dried up wells, and hunger on a scale never before known by humanity are now a reality. That is what Lester Brown, president of the World Watch Institute in Washington predicted (in early 2000) for 2050, when the earth's population will have doubled to nearly 10 billion and the capacity of science to devise methods for coaxing more food out of the soil will, in his view, be greatly diminished.

The situation may be as alarming as Brown calculates, with specific mention of the dire economic situation in some countries of the Asian region, especially Bangladesh, India and even China. By 2030, India will need to import 44 million tons of grain annually to help feed its 1.5 billion people.

By the same year, an increasingly prosperous and industrialised China will need to purchase 200 million tons of grain from abroad for its 1.6 billion people -- as much as is exported by all the countries in the world. The result will be a spike in food prices that will trigger wholesale social disintegration and chaos in Africa, Latin America and poorer countries in the Asian region.

"China's scarcity will become the world's scarcity," Brown predicts. The world is now getting increasingly concerned at the prospect of declining food supply in consequence of rapid urbanisation, deforestation, loss of biodiversity due to global warming, and pest attack, coupled with drought like situation and excessive flooding.

Unfortunately, with farmers racing for the highest possible yields these days, and all trying to use the same kind of seeds, productivity has fallen. Most disappointingly, strains of crops that seem to have magical qualities are becoming harder to find. As the explosive growth of the world's population causes more farmers to turn more forest into fields, wild species of plants are getting wiped out. Potentially valuable food sources are lost forever -- before they are even discovered. In consequence, the world is losing a marvellous diversity of genetic material that has enabled the plant kingdom to overcome pests, blights, and droughts throughout the ages.

It's common knowledge that plant breeders have used genetic diversity to help fuel a green revolution and kept agricultural production ahead of population growth. But as the raw material of the revolution disappears, the food supply becomes more vulnerable. Despite Thomas Malthus's prediction in the last decade of the 17th century that human fertility would outstrip the ability to produce enough food, human ingenuity has consistently belied

such prediction. But in 1968, Paul Ehrlich in his study, "The Limits to Growth," raised fears that unchecked population growth might lead to mass starvation. In the early part of the 1970s Lester Brown argued that the world's farmers were already pushing the practical limits of what good lands, high-yield crops, irrigation, and artificial fertilisers and pesticides could deliver.

Strikingly evident, beginning with the mid 1980s, the momentum of the green revolution slowed dramatically, especially in Bangladesh and some other Asian countries. The fact is that, during the last five years of alliance rule, stalwarts in the administration did not take note of the looming crisis, in spite of the fact that the country has about 60 percent workforce in farming.

It is perhaps a serious structural crisis that none in the administration in the past days had taken note of. The country only woke up to this when food prices started rising. The much-touted green revolution of the mid-1990s has definitely gone brown. The reason for this crisis is that there have been no breakthroughs or investment in seed technology to improve farm yields. We are currently witnessing the worst decade in Bangladesh agriculture since independence.

Agriculture faces a crisis of land as the spread of cultivable land for food grains has remained stagnant at 2 crore 21 lakh acres. The profitability from this land has not increased either, as land holdings have become smaller and investment is negligible.

The sector is also reeling due to a shortage of water, as it remains heavily dependent on monsoons, which is now turning worse because of the global warming phenomenon. There is a disconnection amongst the rural people to get involved in agriculture, which appears to promise only an uncertain livelihood and crippling debt.

Moreover, in most parts of Asia, rice researchers have failed to raise yields significantly for more than two decades. Hidden costs of the green revolution have begun to surface all around the world -- the amount of irrigated land which produces 85 percent of the food supply has been declining steadily. The reason: fields become poisoned with salts left behind when irrigation water evaporates. Looming ahead are the impacts of changes such as ozone depletion in the upper atmosphere.

The combination of both immediate and long range threats to the food supply has brought back the old question: How much longer can the world deliver adequate

food to a population relentlessly expanding at the rate of 91 million people a year. At the current rate of growth, India's population reached 1.1 billion mark in the past years and it might have 1.5 billion people by 2035, almost challenging China. So the prospect of Bangladesh getting grain supply from Asian countries like China or India would be lesser still.

The situation in Bangladesh is somewhat paradoxical. Although the government claims that the population growth in the country stands at 2.1%, that figure does not hold true for the vast areas of rural Bangladesh. Unhappily, economic reforms have not taken root in the country despite all the rhetoric indulged in by the past governments, and the argument advanced by the planners and economists that people would have fewer children once they became prosperous seems a distant dream.

That "development is the best contraceptive thesis," as the experts call it, faces an uphill test in the dirt-poor countryside, where birth rates are among the highest and children are viewed as a source of family wealth.

Against the backdrop of such a dismaying situation, many agricultural experts are taking doomsayers more seriously. Even the optimists admit that putting an adequate amount of nutrition into 5 billion extra mouths almost 30 years from now poses a mammoth challenge. But, at the same time, they recall the success of the green revolution, which, in the short span commencing in the early 1970s, quadrupled crop yields in parts of the developing world and greatly reduced the frequency of famines in Asia and Africa.

Seventeen food research institutes, funded in part by the UN's Food and Agriculture Organisation and the World Bank,

plus dozens of plant science operations run by governments, universities, and private companies did achieve a miraculous result. But, unfortunately, the Mexico-based International Maize and Wheat Improvement Centre that launched the green revolution was forced to abandon years of work on a strain of nutritionally enhanced corn because it ran short of funds.

"I'm pretty confident that science and technology can produce enough to meet the needs of a doubled population," says Mark Cantley, head of bio-technology unit at the OECD in Paris. "But the question is whether utilisation, distribution and politics will hold things back," he adds.

Despite all the constraints, plant breeders and molecular biologists around the world are at work on technologies for bolstering pest, disease and drought-resistant grains, and improving the nutritional value of various foods. Only in the recent past the International Rice Research Institute in the Philippines developed a breakthrough "super-rice" with yields 25 percent higher than current varieties.

In Bangladesh also, several high yielding and salt resistant varieties of rice have come out of the lab, and these are being put into fields with spectacular success. But, disappointingly, agriculture still remains very much neglected in Bangladesh. This dismal state of agriculture calls for a questioning of preconceived notions, and tough decisions.

But even if we do not agree with Malthus's dire prediction, because of the advances we have made in science and technology, we cannot afford to forget that the highest priority remains population control.

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It's not a farmer's budget!



PRAFUL BIDWAI
writes from New Delhi

CONTRARY to media hype, Finance Minister P Chidambaram's latest budget does not set a new direction. Nor does it address the huge imbalances in India's growth pattern. The decision to write off farmers' loans worth Rs 60,000 crores is a belated acknowledgement of the grave agrarian crisis, which has driven 150,000 farmers to suicide in a decade.

The write-off is welcome. But it's not enough.

Sounds uncharitable? Consider that the problem with the Indian economy hasn't recently been lack of growth. It's lack of equity -- income inequalities, and sectoral and regional disparities. The United Progressive Alliance's last full budget was to correct this. It doesn't.

The much-touted Rs 60,000-crore debt write-off has disarmed the Bharatiya Janata Party. This is undoubtedly the largest such write-off. But it pales into insignificance beside the various

THE PRAFUL BIDWAI COLUMN

The UPA had promised to invest substantially in backward areas and states, and take urgent measures to reduce regional and sub-regional disparities in infrastructure, agriculture, industry and social development, which are now acquiring explosive dimensions -- as the growth of Naxalism shows. The budget betrays this promise

exemptions, incentives and concessions provided to corporate taxpayers and rich individuals. Last year, the government wrote off taxes/duties worth a colossal Rs 2.79 lakh crores in this manner! This mind-boggling amount is more than four-and-a-half times the one-time relief for farmers, and equals one-half of all taxes collected.

It includes Rs 1.48 lakh crores in customs duty exemptions, Rs 58,655 crores in corporate-tax concessions, and over Rs 38,000 crores in income-tax exemptions.

Yet, there was no furor or accusation of scandal over this -- a terrible comment on India's economic discourse!

Now, full waiver only applies to loans from commercial banks, regional rural banks and co-operatives by farmers owning 2 hectares (5 acres) or less. But, according to official surveys, half such farmers borrow from local moneylenders. As do 77 percent of marginal farmers.

So a majority of farmers are excluded from the waiver.

Second, only the loans of farm-

ers owning 2 ha or less are written off. There's 25% debt relief to bigger landholders provided they repay the remaining 75 percent. But it's unrealistic, if not mean, to expect highly indebted farmers to repay that 75 percent. They wouldn't have borrowed the money unless they were desperate in the first place.

Third, a large proportion of India's heavily indebted farmers cultivate un-irrigated, low-quality plots bigger than 2 ha. This is true, for instance, of Vidarbha's "suicide belt." A farmer owning 5 ha there is often distressed to the point of suicide. He/she stands to get virtually no relief from the budget.

A far better alternative would have been to write off loans in inverse proportion to holdings and yields -- say, Rs 30-50,000 for the poorest, Rs 15-30,000 for the less poor, and a smaller sum for others.

This would also have taken some of the burden off the nationalised banks, which are unlikely to be fully compensated for the write-off. It's in nobody's interest

to weaken public banks -- unless the hidden agenda is to set them up for privatisation.

In contrast to his miserly approach to farmers is Mr. Chidambaram's generosity to rich income tax-payers, who number 25 to 30 million. Their taxes have been slashed to a point where they are the lowest in Independent India, and among the world's lowest.

A person earning Rs 5 lakhs -- belonging to the top 2% of the population -- need pay no tax if s/he uses all available exemptions. And someone who earns Rs 10 lakhs -- there are only 3 lakh such Indians, comprising one-hundredth of the population -- will only pay a tax of Rs 2.7 lakhs.

By contrast, most Western Europeans in a comparable bracket would pay 50% to 70%, and the Japanese even more. And India is a poor country, which sorely needs to raise resources by progressively taxing the top 20 percent of the population to provide public services.

The tax regime has, thus, become even more regressive. To

match this, Mr. Chidambaram has reduced taxes on cars, two-wheelers, air-conditioners, refrigerators, etc. This will encourage profligate consumption, and bloat GDP -- thus creating a growth bubble, while adding to greenhouse emissions.

Mr Chidambaram's failure is glaring in six areas to which the UPA's Common Minimum Programme gives priority; the public distribution system, National Rural Employment Guarantee Act, health, education, social security, and reduction of regional disparities.

Instead of substantially expanding the PDS, he has raised its allocation by a paltry 3.5 percent. Forgotten is the goal of universalising it. The NREGA's district-wise coverage has been doubled, but its allocation raised by just 14 percent.

The budget's health outlay is 17 percent higher than last year's. But an annual increase of 35% is needed over several years to raise public health-spending from the present miserable 0.9% of GDP to the 3% target.

The 20% increase in the education budget might seem impressive, but the bulk of it goes to higher education, up to 90%, and to the proposed stream of 6,000 "high-quality" model schools.

What India needs most of all is primary education and universalisation of school access for all children under the 86th

Constitutional amendment on the Right to Education. This isn't forthcoming.

As for social security, Mr. Chidambaram has ignored the thoughtful recommendations of the Parliamentary standing committee to give rights and entitlements to unorganised sector workers, not flimsy schemes to which they contribute a premium. He has merely repackaged existing schemes for health insurance and passed them off as new.

The UPA had promised to invest substantially in backward areas and states, and take urgent measures to reduce regional and sub-regional disparities in infrastructure, agriculture, industry and social development, which are now acquiring explosive dimensions -- as the growth of Naxalism shows.

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However, the budget has raised military spending by 10 percent at a time when the Defence Ministry is returning about Rs 4,000 crores unspent year after year. Including pensions, the defence allocation now stands at Rs 121,160 crores -- compared to a mere Rs 34,300 crores for education.

Like the big tax breaks for the rich, this does not speak of balanced or healthy public priorities.

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Unity in diversity

DEWAN SADEK AFZAL

WHILE the CTG is justifiably giving importance to the affairs of the NRBs to promote investment and remittances to the country, and there are several initiatives and proposals being considered, it is also time for the NRBs to offer a unified approach to strengthen this partnership. It is genuinely a two-way street, and unless both parties learn to tango in tandem these good intentions and efforts are unlikely to produce the desired effects or results.

Based on statistics produced by the Ministry of Expatriates' Welfare and Overseas Employment (publication dated 21/01/2008) which date back to 1976, there are close to five million Bangladeshi workers spread across the globe, and their split by skill category is 3.6% professional, 32.26% skilled, 15.46% semi-skilled and 48.60% unskilled.

However, a very large component of professionals and students

left the country during the early 1970's, and the low professional category numbers (3.6%), therefore, may not necessarily reflect the actual exodus and loss of intellectual capital and brain-power that left Bangladesh.

Hundreds of associations and chapters of diaspora Bangladeshis exist in various countries without much cohesion. The primary factor for such diversity and disunity is political affiliation and loyalty, and, from this standpoint, the NRB landscape is almost a mirror image of the ground realities in Bangladesh.

The wind of change is blowing from all directions, and there has never been a better time for the NRBs to demonstrate unity by rising above personal or political preferences. Towards this end, let me propose a roadmap for the creation of a "one stop" entity to represent the NRBs.

This is a different entity from the NRB Secretariat proposed recently in this forum, and in my opinion,

this is an absolute pre-requisite if the NRBs intend to take advantage and enhance their heightened profile for better leverage of their financial strength with the government.

This proposal pre-supposes that some of the more active, well meaning and like-minded members of the broader NRB population will provide the initial leadership to build a critical mass around a common "strategy," which will then be further expanded to include others, particularly the lower income group, who share the same vision and objectives.

(A) - Research Phase: The recent NRB conference held in Dhaka attracted a large NRB audience, and more than 100 research or policy prescription papers were presented over the 3-day period. The conference also drew almost reciprocal attention from the government, civil society and public media, and a host of follow-up meetings took place to discuss and promote issues of common

interest.

It is assumed that the managers and organisers of this conference would have access to the data-base and other relevant information pertaining to the participants and other attendees. In the interest of expediency, it would be reasonable to suggest that some amongst them take a leadership role in conducting the initial research, which, among others, should have the following objectives:

- Collect information and create an all inclusive data-base
- Identify stakeholders and other interested parties
- Invite and seek out existing bodies, chapters and associations
- Consolidate relationships and forge networks and alliances
- Identify and develop broader objectives and goals
- Circulate and build consensus around common goals and objectives
- Expand and formalise common goals and objectives as a strategy document

egy document

(B) Development Phase:

This is arguably the most important phase of this initiative, and this is where visionary, pro-active, and an all inclusive leadership will play a critical role in ensuring that the efforts expended during the research phase are fully justified and not wasted.

This phase will involve rolling out the strategy, and will require intense coordination and communication to organise simultaneous and multiple gatherings across different regional/geographical territories.

Given the advance of the information highway, this is unlikely to be an insurmountable problem and, once a critical mass has been built, it will be time to organise and hold a broader conference, encompassing all stakeholders, at a place and territory that will logically accommodate the majority.

This conference, among others, should have the following objectives:

- Encourage broader and inclusive participation and involvement
- Agree on a common agenda for the conference
- Initiate and pro-actively invite discussion papers on strategy
- Encourage open, objective and transparent debate and discussions on strategy
- Draw conclusions and reformulate strategy based on conference deliberations

(C) - Organisation Phase:

This phase will initiate the process to seek broader acceptance and approval of the strategy supported by the majority at the conference, and will involve activating the method and medium to have this document formally approved by the majority of the stakeholders.

There are multiple options available to conclude this process, including electronic voting systems that are considered to be well-tested, acceptable and reliable. It is assumed that the strategy document would have spelled out a clear process to accomplish this objective.

(D) - Consolidation Phase:

This final phase will formalise the creation of an entity approved by the majority under phase (C) and clearly defined in the strategy document. Among others, this should involve the following:

- Formation of a permanent NRB Secretariat in Dhaka, Bangladesh
- Creation and naming of a legal structure to represent the NRBs
- Establishing contacts with the appropriate government, business and other related groups
- Submission of approved NRB strategy to government and other regulatory bodies
- Seeking formal recognition and representation at government and business sector forums (BOI/BBF etc.)

A successful story is seldom accidental. It is the result of conscious design, meticulous plan-

ning, and informed and purposeful action springing from well articulated goals and objectives executed through concerted and sustained efforts.

There will be a conference on Bangladesh at Harvard University this summer, and the large gathering of some of the best minds of our country and the international community will offer a unique "window of opportunity" for a convergence of views and ideas on this proposed initiative.

This article is intended to bring this issue to a more open and public forum with the hope that the organisers, contributors, panelists and other attendees at the Harvard conference will collectively deliberate and resolve to support and encourage such an uplifting process.

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