

Donor policies

FROM PAGE 1
Bank and other donors," says Dr Mahabub Hossain, an agro-economist and executive director of Brac.

So, through out the 1970s, water management systems were set up; pumps were dug in and channels were made to bring water to the fields. Grow more food -- that was campaign then, and the government forked out subsidies for the inputs. The Bangladesh Agriculture Development Corporation (BADC) was given monopoly to import modern agricultural inputs and market them with high subsidies at more than 50 percent of the cost.

With the expansion in the use of fertilizers and power pumps, agricultural subsidies became a heavy burden on the government budget -- Bangladesh had a very small revenue base then and its exports were limited to raw jute and tea mainly.

"So the donor agencies (development partners) led by the World Bank (WB) and the USAID, another major player in determining the country's food scenario, then suggested cuts in subsidy and privatisation of the input distribution system," Mahabub points out.

The USAID commissioned a policy review by the International Food Policy Research Institute (IFPRI) that also suggested reduction in subsidy and liberalisation of the input market.

"Social scientists at that time argued that small and marginal farmers will be adversely affected by this policy due to the increase in input costs and development of a water market that would be controlled by large landowners," Mahabub recalls.

Nonetheless, during 1980s subsidies came down substantially and BADC's fertilizer distribution infrastructure was dismantled. The private sector was allowed to import agricultural equipment and import duties were substantially curtailed following an Agricultural Sector Review supported by UNDP. Rapid expansion in irrigation with farmers' own investment in shallow tube wells and power pumps took place and 'water lords' sprang up who were the new breed of private irrigation pump owners and took one-fourth share of the harvest from the farmers for supplying water. And the wheel of the power tillers whirled on.

It was expected that money saved in subsidy would be reinvested in agriculture, but that did not happen, Mahabub observed. Rather the funds saved thus were shifted to other sectors. The agriculture's share of the development budget came down drastically.

The farmers seem to be quite happy with the privatization in the input marketing system, as inputs were freely available although the cost went up. The use of fertilizer expanded rapidly, the adoption of HYV seeds speeded up and the growth in rice production accelerated.

"In 1994 the first hiccup occurred with a severe fertilizer crisis that led to the killings of a number of farmers in police firing. But until then everyone thought the liberalised system was working fine. There was a rethinking among the policymakers and the subsequent AL government re-introduced control in the fertilizer distribution system and shovelled more subsidies into fertilizer," the agro-economist explains.

Besides marketing of agricultural inputs, another parallel development took place in food marketing system. Until then the government was deeply involved in the marketing of food as it believed this was needed to protect the low-income consumers in rural as well as urban areas from the negative fallout of food price fluctuations and frequent natural calamities that the country is subjected to. After all, memories of the 1974 famine were still fresh. Urban and rural rationing systems along with the Food for Works (FFW) were operating in full force.

"The World Bank and the USAID then advised the government to phase out such programmes on the ground that these were not being properly targeted and leakage was high," Mahabub explains. "The fact that such operations were still needed as safety net was not taken into consideration. There was also a policy shift from non-monetised to monetised distribution system with the introduction of Cash for Work Programme and Open Market Operations for controlling rising prices."

The government had developed facilities for food storage of about 1.9 million tons and used to maintain a large food stock of around 1 million tonnes in the 1980s with internal procurement of food grains, inflow of food aid and commercial purchases from international market for operating the public food distribution system.

"A major change took place in early 1990s when a new role for the private sector in food marketing was introduced. Another IFPRI study also funded by the USAID suggested that the government no longer needs to remain involved heavily in food marketing," Mahabub said.

The report argued that there is a glut of food production worldwide as evinced from the downward trend in the real price of rice and

wheat in the world market and building of huge food stocks in neighboring India. Therefore the risk of food insecurity was no more a matter of concern. The country was "beyond the shadow of famine".

"So, the government should consider economic efficiency in managing food distribution and should be able to manage the food programme with stocks of five to six lakh tonnes only. The thrust was then that the government can move from a policy of self-sufficiency to self-reliance with the underpinning idea that instead of producing its full requirement of food itself, it can look for import of food grain which was then cheaper on the international market," Mahabub explained the policy shift.

The tenet was also to allow the private sector to freely import food so that it can act quickly to import food from India if a crisis occurred. The government took the advice and dismantled the food stocking and marketing infrastructure.

In 1991, cheaper food import and flood of food aid depressed domestic market to the distress of the farmers. An international political economy came into play here as the rich countries wanted to support their farmers through food aid at the cost of the recipient countries' market destabilization.

"But the upside of the policy was the successful tackling of the 1998 floods that caused a loss of 2.5 tonnes of aman production, when the private sector played a major role in food imports to keep supplies in place," Mahabub observed.

But as the policy changes took place in agriculture and food, the government, almost unconsciously, lost its capability to face any food emergency. It no longer had a capacity to maintain a food stock large enough to influence market and its machinery was no longer attuned to work fast to import food that was suggested from various quarters when even six months ago rice was selling at \$370 a tonne in the international market.

"The international donors also played a key role in the aftermath of the Green Revolution. They are the ones who funded the international research centres such as IRRI and CIMMYT for invention of HYV seeds and supported irrigation development and supply of agricultural credit that was needed to support the diffusion of improved technologies to farmers," Mahabub continued.

The green revolution led to a rapid downward trend in real food price with rapid expansion in production in Asia. The donors then took the position that Asia had achieved food security and so there is no further need for supporting agricultural research and irrigation.

"Agriculture became a dirty word in the circle of international development agencies including the World Bank, IMF and the Asian Development Bank. Here, lobbying from farmers of US, Canada and Australia played a big role in this change of heart of their governments. The farmers' lobbies argued that the dip in international food price led to their ventures unprofitable and influenced their governments to stop funding-Green Revolution," Mahabub argued.

This followed the donors' prescription to finance ministers of the third world countries to put stress on industry and service sector. The agriculture ministries lost their glories as they ran on shoestrings.

Almost a decade later, the governments and donors around the world have come full circle to the realisation that investment in agriculture is crucial if the MDG goal of poverty reduction is to be realized, and that as long as population keeps increasing, the governments should never de-emphasise agriculture. The governments of low-income food importing countries are beginning to learn a lesson from the present crisis that it is not wise to depend on the international market for food security as food exporting countries snap down their doors as soon as tightness in the food market on the global scale as seen today occurs.

The US ambassador further said, "We discussed a broad range of subjects. I was very impressed by his knowledge of the issues. We talked of moving relations in a positive direction."

A US embassy release said that ambassador Moriarty also asked about the status of the democratic roadmap and repeated his message of support for the 3 Ds: democracy, development, and denial of space to terrorists.

"This was my first meeting with him, and I am extremely pleased with his commitment to his responsibilities," Ifekhar told the newsmen.

"Bangladesh and the US have a strategic partnership and many common interests. We discussed modalities and methods of how to take them forward," he said.

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Chittagong division, each of Chandpur and Gomilla districts lost a seat while Chittagong district has

Chevron

FROM PAGE 1
official statement issued by the US-based oil company.

Petrobangla also concluded its investigation led by one of its general manager who visited the area the day after the fire occurred.

About the outcomes of the Chevron-sponsored investigation, it said the findings concluded that there were no seismic crew present where the incident took place on April 26, and accordingly, there was no seismic-related work going on in the area at the time.

The fire had no major impact on the wildlife or the environment with superficial damage on the ground and with limited impact on trees. The actual area affected by the fire was approximately 70 by 35 meters. The exact cause of the fire remains unknown, said the company.

Chevron said that it would continue its work, taking the utmost care of the environment. The safety of people and the protection of the forest flora and fauna have been Chevron's top priority.

Petrobangla also concluded its investigation led by its one general manager who visited the area the day after the fire occurred.

Petrobangla Director (PSC) Major Muktar Ali told UNB that their investigation found "no link between the seismic survey and the fire incident".

He said the Petrobangla investigation team visited the area along with the officials of the Forest Department who also thought that the fire had no relation with the survey works.

"Since the place from where the fire broke out was adjacent to a rail-track, so it is assumed that the fire might have generated from anything that was thrown out from the rail," he said, adding that actual cause of the fire was not ascertained in the investigation.

"We have communicated our findings to the energy ministry," he said.

Advisers place

FROM PAGE 1
Hossain Zillur Rahman said.

Talking to reporters following a meeting with three other advisers yesterday at the Housing and Public Works Ministry, Zillur said they would hold several more meetings to finalise the synthesis.

"We hope to complete preparing the synthesis by tomorrow (Wednesday) and present our recommendations to the chief adviser (the same day)," he said.

Communications Adviser Maj Gen (ret'd) Ghulam Quader; Law Adviser AF Hassan Ariff and LGRD Anwarul Iqbal are the other advisers who attended the meeting.

The five advisers including Foreign Adviser Iftekhkar Ahmed Chowdhury, who were tasked with holding pre-dialogue talks, kicked off the discussion on April 7 when they sat with four senior Awami League leaders at the Rail Bhaban.

The advisers later sat with both factions of BNP, Jatiya Party, Jamaat-e-Islami and other Islamic parties, left political parties including Communist Party of Bangladesh, Bikalpa Dhara, Gono Forum, Krishak Samik Janata League, business community, civil society and union parishad representatives till Monday.

The pre-dialogue talks aimed at creating mutual confidence and setting agenda for the proposed formal dialogue, the advisers said on different occasions.

The discussions were held in a congenial atmosphere, and they had received good suggestions, they said.

Briefing reporters after an advisory council meeting on Sunday, chief adviser's Press Secretary Syed Fahim Munaim said the government is likely to begin the formal dialogue in the first or second week of May.

Agenda and venue for the talks would be fixed following receipt of the report on pre-dialogue talks, he added.

Replying to a query, Hossain Zillur yesterday said the demand for release of the two former prime ministers will also figure in their report.

Besides, announcement of an election date, withdrawal of emergency, local government polls and empowering army personnel make arrests on polling day are among other key issues that came up at the pre-dialogue discussions.

US envoy

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discussed bilateral relations, trade, political issues and development cooperation.

"This was my first meeting with him, and I am extremely pleased with his commitment to his responsibilities," Ifekhar told the newsmen.

"Bangladesh and the US have a strategic partnership and many common interests. We discussed modalities and methods of how to take them forward," he said.

Student-cop clash

FROM PAGE 1
Later, the students returned to their college and spread rumour among their college mates that shop owners were keeping two of their fellows captive in Nilkhet market and another one was injured after a human hauler had rammed him.

As the rumour spread, several hundred students came out of the campus and started pelting the street hawkers and shop owners opposite the campus with bricks. They also blocked a section of the Mirpur Road in front of the college, prompting the law enforcers to go into action.

Police fired shotguns twice and 65 teargas shells, and resorted to baton charges to quell the students who were hurling bricks indiscriminately at the law enforcers.

Students alleged that police even charged batons entering into class rooms and the college dining room. Six teachers including Vice-principal Dr Anwarul Alam Khan were injured, caught in the middle of a clash, when they were trying to refrain the students from battling the law enforcers.

Vehicle traffic on busy Mirpur Road remained halted for over two hours during the melee leaving a severe traffic jam in the adjoining areas. Besides, owners of shops in the busy strip of malls shut down their business establishments to avoid vandalism.

The agitated students damaged at least eight vehicles on the road while police picked up four persons, a student and three outsiders.

The clash erupted after police had chased the students who had blocked Mirpur Road and were raining bricks on street vendors and other shopkeepers ignoring police request to stop around 1:45pm.

After the chase, students retaliated and chased police by hurling bricks at them leading to the clash. The angry students burnt tires and set fire to the furniture that were being sold in front of the college campus on the pavements.

More than 300 police personnel including riot police stormed the college campus around 3:00pm charging batons and firing teargas shells on the students and teachers even inside the classrooms.

Deputy Commissioner of Ramna Zone of Dhaka Metropolitan Police Atiqur Rahman said around nine police personnel were injured in the clash.

Fourteen of the injured were treated in Dhaka Medical College Hospital while the rest were treated in local clinics.

Tension on the college campus was high till 4:30pm, when the last report came in.

Baghaihat arson

FROM PAGE 1
Baghaihat, which left 132 houses burnt to ashes and 9 persons injured.

Termining the April 20 incident as pre-planned and orchestrated, he also said such incidents occurred in CHT several times as a section of the population there always wants to keep the hilly districts unstable to stifle development activities.

Some of the crime prone people incite clashes between peaceful Banglee settlers and the people of the indigenous communities, and later they clap their hands sitting in Dhaka, the general said adding that the 'criminals' never want to see actual peace in the area.

As CHT is a part of the country, there is no division between Banglees and the indigenous people, he said.

All citizens in the area should think of themselves as Bangladeshis and work in unison for real development of the region, he added.

The region has the potential to become one of the most amazing tourist attractions in the country, if the situation there improves, Moen said.

The army has been constructing roads and bridges there for real development and it will continue to do so, he said.

The government decided to introduce mobile phone network in the region to improve public communication, and a judge court will be set up to ensure justice in CHT, but if the situation there remains unstable then how those plans will be implemented, the army chief questioned.

The people of remote Sajek area are getting benefited by the roads and other communication systems built there, they are being able to sell their products in markets, which was once unimaginable, Gen Moen went on.

He also said CHT is very different from the plain, the people there have to face natural calamities like the recent rat infestation in agricultural fields there, he added.

Bush pushes Congress to move on farm legislation

AP, Washington

President Bush yesterday accused the Democratic-led Congress of blocking his proposals to deal with rising gas prices and dragging its feet on measures to address the sagging economy. He said he was "open to any ideas," including a proposal backed by presidential contenders John McCain and Hillary Clinton to suspend gas and diesel taxes this summer.

But Bush quickly said that he favors longer-term fixes, such as encouraging new oil production in the United States and building new refineries at home. He renewed his call for opening areas of Alaska wilderness to oil exploration and production.

"If there was a magic wand to wave, I'd be waving it, of course," he told reporters at a Rose Garden news conference called on short notice. "But there is no magic wand to wave right now. It took us a while to get to this fix."

The president's hour-long question-and-answer session under sunny skies came on the eve of a government report on the state of the economy in the first three months of the year.

"It's a tough time for our economy," Bush said.

Many business analysts believe the economy already has slipped into recession, but the president as in the past declined to use that term.

"You know, the words on how to define the economy don't reflect the anxiety the American people feel," the president said. "You know, the average person doesn't really care what we call it."

Asked if he thought the statistics due out Wednesday on the nation's gross domestic product for January through March would show the country was indeed in a recession, Bush said: "I think they'll show we're in a very slow economy."

Two straight quarterly contractions in the GDP which measures business growth is the common definition of a recession. But the official determination made by the National Bureau of Economic Research takes longer and is based on a more complicated formula.

Assault at ZIA

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of the Air Force.

An inquiry committee headed by a group captain has already identified the persons involved in the incident of assault by joint-force personnel and framed charges as per military law, the ISPR said.

UN forms

FROM PAGE 16
forefront of calls for trade liberalisation in the WTO's Doha round, are now adopting protectionist measures.

Ban said the World Food Programme must be "urgently and fully" funded to help poor countries.

"Without full funding of these emergency requirements, we risk again the spectre of widespread hunger, malnutrition and social unrest on an unprecedented scale," Ban warned.

The WFP has said it needs an extra 755 million dollars due to the sharp jump in prices.

"We have pledges of 471 million, but only 18 million is cash in hand. We can't procure food until we have cash in hand. So we're in a really urgent timeframe to getting a commitment as soon as possible," WFP head Josette Sheeran told journalists.

In just one example of the scale of the problem, the WFP warned on Tuesday that soaring rice prices have forced it to stop supplying free breakfasts to 450,000 poor Cambodian schoolchildren.

The agency said the programme was suspended because it could not afford to pay the current high prices for rice, which accounts for 76 percent of the school breakfasts.

In the long-term, the UN chief acknowledged that there is an "urgent necessity to address structural and policy issues that have contributed to this crisis as well as the challenge posed by climate change."

"Further research must be undertaken on the impact of diversion of food crops to bio-fuel production and all subsidies to bio-fuels should be reviewed," he added.

CA stresses

FROM PAGE 1
Karma-Sahayak Foundation (PKSF) and held Bangladesh China Friendship Conference Centre.

PKSF gave awards to its three best partner organisations for their special contribution to providing microcredit in 2007. UDDIPAN (United Development Initiatives of Programme Actions) received award as a long-term sustainable loan-providing organisation, Sawjag (Samaj O Jati Gathon) as a loan-providing organisation in agricultural sector and DISA (Development Initiatives for Social Advancement) as a promising local microcredit organisation.

Begum Taharunnesa Abdullah received award for her contribution to poverty alleviation and social development.

The chief adviser distributed the awards. President of PKSF's board of governors Prof Dr Wahiduddin Mahmud, its Managing Director Dr Kazi Mesbahuddin and convenor of the microcredit fair Parvin Mahmud also spoke at the function.

The chief adviser's wife Neena Ahmed, members of PKSF and its partner organisations and small entrepreneurs were present.

Referring to the importance of microcredit in poverty alleviation, Fakhruddin said small credit could make more contributions by expanding its area and its multifarious applications.

Microcredit activities need to be arranged in such a way that all poverty-prone areas of the country could be brought under its coverage involving the maximum number of beneficiaries.

Lauding PKSF's various programmes, Fakhruddin, who was also its managing director, hoped that PKSF would play a leading role in expanding loan facilities for small entrepreneurs apart from providing technical cooperation to farmers and increasing loan for poultry, fisheries and livestock sectors.

He said time has come for PKSF to emerge as a full-fledged development partner from a microcredit organisation.

Later, the CA visited some stalls of the microcredit fair.

Shafique elected

FROM PAGE 1
Shafiqul Islam Babul have been elected vice-presidents, Fahima Nasrin Munnai and Zahid Sarwar Kajal assistant secretaries while Nahid Sultana Juthi has been voted to be the treasurer.

Besides, those elected as seven members of the executive body are Nurun Nahar, Shaikat Hossain, Jamil Akhter Elahi, Najibur Rahman, Ali Azam, Sheikh Ali Ahmed Khokan and AKM Nurul Alam.

In his reaction, president-elect Shafique Ahmed told The Daily Star, "It's a victory for the efforts to establish rule of law."

The apex court bar rescheduled its election for April 28 and 29 following negotiations between lawyer leaders and the government on March 24. The settlement ended a stalemate over the balloting then slated for March 24 and 25.

Complications rose after Dhaka Metropolitan Police (DMP) had slapped a ban on holding the election for what they said was the SCBA's not having the permission as required by the emergency power rules.

Bangladeshi

FROM PAGE 16
paddy. He allegedly died on the spot and the BSF personnel dragged his body into Indian territory.

Tension between the two border forces following the incident resulted in the exchange of bullets.

Col Bodrul Alam, BDR commanding officer, said the BSF killed Hafizur violating the agreement the two border security forces signed regarding the shooting of people in each other's territory.

The commanding officer of the BSF 36 Battalion regretted the incident and promised punitive measures against the people responsible.

The BSF handed over the body of Hafizur Rahman in the afternoon following a flag meeting between BDR and BSF.

Dhaka-Kolkata

FROM PAGE 16
Passengers from Kolkata will however have customs and immigration checking at Darsana as is done now.

Bangladesh officials had decided to propose cutting the journey time by at least two hours in the wake of adverse passenger reaction to five hours of customs and immigration checking for the 538km journey -- 418km in Bangladesh and 120km in India. Since the number of passengers is small, the checking should not take so much time, they felt.

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Ex-whip Jamal

FROM PAGE 16
primary investigation they found that Jamal and his family members own movable and immovable property worth Tk 150 crore although Jamal in his wealth statement claimed that he owns property worth only Tk 64 lakh.

In his wealth statement submitted to the ACC, Jamal also mentioned that his family members, including wife, three sons and daughter, have their own sources of income, as they are well established businesspersons and are not dependent on him.

Jamal's name appeared on one of the lists of corrupt suspects published by the ACC.

After submission of his statement early this month, the ACC taskforce visited Barisal, Banaripara, Swarupkati and Dhaka last week to verify Jamal's wealth statement.

Jamal's property also includes six luxurious houses -- three in the capital and three in Barisal -- worth Tk 40 crore and one mill, 'Kohinoor Spinning', valued at more than Tk 100 crore.

There are also three luxurious cars, three speedboats, huge cash and fixed deposits in five bank accounts, gold ornaments and other property worth Tk 10 crore in his health list.

Tarique

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told The Daily Star that even though the proceedings of all the eight cases against Tarique are stayed now and the HC had granted him bail in six extortion cases, he would not be released since he could not secure bail in an extortion case and a graft case filed by the Anti-Corruption Commission.

The two extortion cases against Tarique were filed last year with Shabbagh and Dhanmondi police stations after months of crackdown on high profile corruption suspects by the present military-backed caretaker government.

Joint forces arrested Tarique on March 7 last year.

Bus owners

FROM PAGE 16
headquarters yesterday afternoon in which ABC leaders proposed an increase in bus fares in proportion to the increase in price of spare parts and expenditure borne by the bus.

They submitted a list of increased prices of different spare parts and demanded that the government formulate a regulation for the price of these.

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