

Interim report card

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MAMUN RASHID

WETHER we like or not, a number of fundamental reforms have taken place after 1/11 and more is being done for the structural enhancement of the state, its government and people's lives. It seems that the primary drive behind the interim government's actions was to ensure people's rights and to eliminate the conflicting roles of government machineries wherever possible.

Many might ask whether the current caretaker government was supposed to stay in power for so long and open up so many avenues for reforms. The answer is simple; when you take on power, especially with a large laundry list, you should perform your duties properly demonstrating certain level of integrity; and, to do that you may actually have to fix a lot of things, which would take time.

Just think about the situation prior to 1/11, it was complete chaos coupled with corruption amidst preparation for poll-fixing and

opposition protesting it on street for obvious reasons; people got killed and public and private properties got damaged.

A caretaker government shouldn't only take on power to hold elections, it must hold "free and fair" election. To ensure such freedom and fairness one has to change things, if need be. It happened in many countries years before, we are only late in getting a government like this that would dare to bring about many fundamental changes.

People without ill-gotten money, people who do not have strings to pull in society, faithful people who seek only divine blessings to help them were and are surely supportive of the government.

If we look at the birth of the current government, it came into power at a time when the basic formation of caretaker government was being orchestrated for election fixing purpose. When emergency was declared by the head of state to bring an end to destructive agitations and killings, the present

caretaker government, comprised of qualified people from our society emerged.

Since the retiring elected government was not being able to hand over power to a proper caretaker government, somebody had to step in to ensure that power transfer happened it was imperative.

When this government took over, it faced a lot of challenges failing foreign policy, increasing oil price, huge amount of domestic borrowings, reforms undertaken but going nowhere, messy energy and infrastructural initiatives, inaccurate voter list, mass corruption at root level, etc.

We did see three successive democratic governments, but whoever came to power misused it or showed a winner-take-all attitude and people around them got benefits of licenses, concessions and got richer at the cost of country's foreign exchange, fiscal deficit, poor implementation of development plan, no preparation to face the challenges caused by externalities, inadequate invest-

ment in education. It only demonstrated that just holding of an election would not bring much benefit to the country, massive reforms were needed.

All the price hikes, safety and security issues, stress in foreign relationship, three successive natural calamities -- all had to be handled by the caretaker government. This is also the time when civil society members seem to be having second thoughts about the government, and the political parties are also not being forthcoming and co-operative as they might be. It seems the caretaker government is managing a lot tougher situation than it had expected.

Despite all challenges, they did achieve certain good things. The management of post-flood and Sidr rehabilitation work was impressive. Even with damages of crop due to Sidr, we managed to get bumper boro crop, reports are there expecting good aman too. Inflation has hiked up globally, including many regional and neighboring countries primarily due to oil price increase and food shortage, which is affecting most developing countries, not just Bangladesh.

Open market service of the government was a successful one clearly defying some corners' concern of "silent famine." We continue to see increasing export, which was under pressure lately, and growth in inward remittances.

Prudent central bank operation has improved the foreign exchange reserve situation covering about 3.79 months of importin March.

Remittances from Bangladeshis working overseas rose by 31.6% year-on-year to \$6.45 billion in the first 10 months of FY2007-08. The strong inflows of worker remittances resulted in some amount of current-account surplus in July-December 2007 with expected small surpluses in 2008 and in 2009.

Investors from the United States, France, Turkey, Malaysia, China, Middle East and other South-East Asian countries continue to show keen interest in Bangladesh. Moreover, with India recently lifting restrictions on FDI from Bangladesh, greater investment flows between the countries are expected.

The Bangladesh Bank has done a splendid job in terms of keeping the taka stable against the dollar. Additionally, the caretaker government has continued the process of privatising the four nationalised banks and was able to corporatise three NCBs and Biman. The progress of corporatisation of other SOEs is encouraging.

The sale of a majority stake in troubled Oriental Bank to a Swiss-based financial company, ICB Financial Group Holdings AG is a major success of the present government. Government's handling of the floods and Sidr last year and

the food crisis may not have been duly recognised, but I do hope that when a cross-country analysis of the food crisis handling will be made by analysts and researchers in future, the facts will come out.

I also believe that the adverse movement of the external terms of trade against Bangladesh will be translated into a movement of domestic terms of trade in favour of agriculture and rural areas. We have already begun to see what it means higher income for farmers, agricultural labour and rural business, including transport. An increase in rice price of Tk 10 per kg will mean an additional income of Tk 17,000 crore distributed among a large number of people. If it goes on for a few years as seems likely, it will ultimately result in a faster decline in poverty in rural areas.

Besides, as already mentioned, export growth of 35% during the first four months of the year, remittance growth of about 30% over the same period, industrial credit growth of 65%, agricultural credit growth of over 70%, a private sector credit growth of almost 18% are not indicators of an economy which has slowed down to a near halt. (I remember some people were talking last year about negative industrial growth).

Of course, the rise in price level has badly hurt the urban fixed income earners. Adjustments in terms of higher income for this group will come slowly, but distribution of income is going to move in favour of rural households.

As for the preparation of next election, the government, especially the EC, has shown spectacular performance voter ID cards are already being delivered. This was a mammoth project the government courageously took on and is now successfully being completed; and, a significant milestone towards institutionalisation of democracy and people's rights.

On the structural reform side, Better Business Forum and Regulatory Reform Commission are the need of time, however we are still waiting to see some successes. Separation of judiciary was a major step towards demonstrating the caretaker government's commitment for institution building and eliminating any conflicting roles within the government machineries.

Strengthening the ACC also brought in the much-desired result of building accountable and responsible leadership in the days to come.

However, there are certain areas, which perhaps continue to pose challenge to the government. The caretaker government comprised of non-elected civil society members may be perceived to be a bit "reality disconnected." It would have been useful if they could have generated greater support from civil bureaucracy and minimised the tension between civil and military bureaucracy.

As a prudent group of technocrats, they could easily avoid creating tension in Dhaka University and be able to utilise the services of senior lawyers more. They could have focused more on building a meritocracy-based academic system, which is currently corrupted and politicised. More investment should have been made for improving the bench-strength of civil bureaucracy and foreign ministry professionals.

The present interim government has declared that the general elections will take place during the third week of December this year, this leaves them with only a few more months to give some more to the nation in line with the expectation built up among people due to the government's long stay in power.

While the caretaker government has done so much towards the development of the country and enhancement of structural platforms, it all depends on what they give to the nation during the next few months and how they manage their exit to be remembered as a "better group of people" in the history of Bangladesh or be criticised for what remains undone due to inadequate drive, diluted focus, or for opening up too many Pandora's boxes.

The writer is a columnist.

You are being watched

The DMP plans to utilise the CCTV program for vigilance and law enforcement, and their spokesman said that the possibilities were nearly endless. The system may be interfaced with cameras and videos to record drivers over-speeding, running the red light, dangerous and/or reckless driving, and a host of other traffic violations. But, before any of that can happen we should marshal our resources and tell our drivers what is required of them in terms of driving skill, and set up public or private educational facilities for teaching driving.

SHAWKAT ANWAR

THE media recently carried a report that Dhaka Metropolitan Police (DMP) is going to install 176 closed circuit televisions (CCTV) at 59 city locations and disseminate traffic information etc., via 36 digital billboards and radio. This 61-crore taka project is the most ambitious effort to bring the city under close vigilance of the law enforcers.

Apart from traffic the system shall be used for policing actions all round as well. Good news, no doubt whatsoever. DMP and the authorities are to be sincerely congratulated and thanked for moving with the times and we wish success of the venture.

It is hoped that DMP has adequate and qualified manpower to run the system. It will be a shame if all the expensive equipment are not utilised to their fullest extent, and people behind them do not have adequate skills to operate the system. There are myriad examples where equipment bought at public expense are lying unutilised and uncared for. No one cares; no one is answerable and accountable. Look

at some Dhaka traffic lights, they do not work properly, many do not work at all.

It will be very interesting, being kept updated through the system about the traffic situation all over the city, although it is a little confusing how exactly it is going to help someone already held up in a traffic jam. If I am stuck in the third of the six lane traffic on VIP Road going toward Bangla Motors, it does not help me much since I am just stuck there, unless, of course, there is no traffic jam in the first place, or there is a nearby exit to an alternate route. I am guessing the system will prevent traffic jam.

Given the current condition of Dhaka traffic, one cannot but wonder if the DMP is putting the cart before the horse. Indeed, we have a state of the art solution, but are our drivers ready to interact with the system being installed? It is said the proposed system works well in Malaysia and Singapore. But do Dhaka drivers come anywhere close to the skills, law obedience, academic background and overall demeanour of Malaysians or Singaporeans? Regrettably not. But, given appropriate training we can learn, and that aspect of edu-

cation and training should be just as important, if not more, than just putting in an electronic system.

Barring a few, most professional drivers in Dhaka today learnt driving not from a qualified tutor/driver but, from driving schools operating old, decrepit automobiles that are hazards by themselves. If you are looking for a manual, one that teaches driving, there has not been one to recommend.

When drivers change lanes like snakes, and buses scare the life out of other drivers as they monopolise the road and threaten to crush everyone else in their path, that is not regarded as proper driving. Or, when you see drivers overtaking from the right and the left, having no idea which lane to get in before turning left or right so that other road users are not inconvenienced, not allowing emergency vehicles police, ambulance to pass, you know that is not appropriate conduct and it does not happen in Malaysia nor in Singapore. In Dhaka, drivers block the passage of emergency vehicles with total disregard and impunity.

Ignorance of law is no excuse.



Dhaka drivers, as there are many excellent drivers, but the majority need driving and road usage lessons. The DMP is going to spend 61 crore taka on this program. What if we spent at least another fifteen or twenty crore takas in educating our drivers, say, for the next five to ten years? This will be an investment that will pay back in terms of fewer accidents, lower costs relating to police work for traffic issues and, most importantly of all, save lives that are being lost on the streets every day through bad, irresponsible, dangerous driving and consequential accidents. No amount of money can replace those lives.

Most of our professional drivers learn from seniors who allow them to sit by their side and learn on the job. No manuals, no explanation of why and how, just learn how to operate the controls and then "God be with you." Here, the teacher himself may have learnt from someone else in the same fashion. So, each generation is no better than the previous, if anything, may be worse. We need to upgrade our

driving schools.

The DMP plans to utilise the CCTV program for vigilance and law enforcement, and their spokesman said that the possibilities were nearly endless. The system may be interfaced with cameras and videos to record drivers over-speeding, running the red light, dangerous and/or reckless driving, and a host of other traffic violations. But, before any of that can happen we should marshal our resources and tell our drivers what is required of them in terms of driving skill, and set up public or private educational facilities for teaching driving.

The days of paying some fellow who runs a so-called driving school a few thousand taka, sitting at the wheel for a few hours in a contraption called a car that runs at a speed no more than a rickshaw's, and receiving a driving license, should soon be over. Once a driver acquires a valid driving license we should be prepared to prosecute him for any infraction or violation of traffic laws.

Presently, a negligent driver is hardly sentenced to imprisonment or severe punishment, even for causing death or serious bodily damage. Let us try and raise the minimum standard of driving, otherwise jumping into a twenty-first century state-of-the-art CCTV/digital system with nineteenth century driving skills may be a monumental waste.

Shawkat Anwar is a Financial Consultant currently living in Maryland, USA.

The price of rice: A boon in the bane?

Adequate profitability in rice production for the toiling cultivators of Bangladesh will enhance income and hence savings and investment generated at the grass roots level. Growth will be spawned and sustained from the bottom, instead of the flawed top-bottom trickle down policy favoured by bourgeois economic policy makers.

IMRAN RASHID

WORLD food prices have gone through the roof in the last few years. Being part of the globalised economy, Bangladesh has also felt the repercussions of this exorbitant inflationary hike. Thus, with international market price of rice witnessing a staggering three fold plus rise in a span of the last ten months, Bangladesh with its burgeoning 150 million overly rice dependent population has fallen into a quandary of calamitous proportions.

This sudden increase in global grain prices, particularly of rice, could not have come at a more inopportune moment for Bangladesh. In the aftermath of two devastating floods in quick succession in June and August 2007, followed by the catastrophic destruction to standing rice crops

in the wake of the tropical cyclone Sidr the following November, the country was already reeling with the aftershock of having to deal with an additional deficit of 2-3 million tons when, to add insult to injury, the prices demanded by rice exporting countries began a sudden upward spiral in early 2008.

Thus, the rice eating masses of Bangladesh will associate the Fakruddin era with the breaching of the Taka 40 per kilogram rice threshold from the Taka 20 levels of only a year ago. That this crisis was the result of global market realities, and also the cumulative effect of previous administrations' neglect of agriculture in general and food security in particular, will cut yet another legacy.

Supposedly, every dark cloud has some sort of silver lining. Perhaps this predicament of the Fakruddin administration can turn out to be in the long run a kind of blessing in disguise for

Bangladesh. With the skyrocketing of rice prices renewed interest and enthusiasm has been noticed in the rice cultivators of Bangladesh, as has been evident from the just harvested dry season, winter boro crop.

Surpassing even the government agricultural department officials' most optimistic predictions, a record 17.5 million ton has been harvested. This momentum needs to be sufficiently sustained during the upcoming seasons for enabling Bangladesh to wipe out the deficit of its most staple crop, build up an adequate buffer stock, and thus ensure food security to its teeming millions.

If the success of the current boro rice crop can be replicated in successive seasons during the next few years then it would not be surprising to find Bangladesh joining the ranks of rice exporting countries in the very near future.

Since Bangladesh is an extremely densely inhabited country with very limited land resources it is imperative that in tandem with horizontal measures, such as increasing the acreage under cultivation, vertical efforts for enhancing

production be taken up earnestly to stave off the current crisis in the rice market, which is exhibiting very little indication of easing up given increasing global demand for grain for bio-fuel production. In addition to this demand-pull factor, in other words increased global demand for rice "pulling" up prices worldwide, there is also the "cost-push" phenomenon.

With the unprecedented upward spiral of crude petroleum prices to record levels, the costs of inputs for the production of rice have also risen quite significantly in recent years. Rising costs of inputs such as fuel, fertilizer, chemical insecticides etc. have thus "pushed up" aggregate production costs and hence make a significant contribution to the increased market price of rice in recent times.

A market support price well over the actual production costs is necessary to ensure that the agrarian producers receive substantial remunerative reward for their efforts, and find sufficient incentive to sustain production.

Although the share of agriculture in the overall GNP of Bangladesh has

dwindled to the 25% range in recent times, more than 60% of the population is still directly dependent on agriculture as a means of livelihood.

Adequate profitability in rice production for the toiling cultivators of Bangladesh will enhance income and hence savings and investment generated at the grass roots level. Growth will be spawned and sustained from the bottom, instead of the flawed top-bottom trickle down policy favoured by bourgeois economic policy makers.

Substantial investment and enhanced R&D expenditures to enhance output and productivity, in association with adequate market prices support mechanisms coupled with suitable subsidised access to the necessary inputs of production such as quality high yielding seeds, fertiliser, irrigation water, and fuel must be ensured to enable the stoic Bangladeshi rice cultivators to convert a bane into a boon, imprecision into beneficence, affliction into affluence.

Imran Rashid is an economist and an IT consultant, and writes on development issues.

Deep that. Turning to the subject of creative rhymes, reader Guru Dutt highlighted one of their masterpieces: "So come on, ha, come on, ha, come on is such a joy, come on and make it easy, take it easy, take it easy, everybody's got something to hide except for me and my monkey."

Meanwhile a reader named Jayesh pointed out that no listing of creative lyrics would be complete without Summergirls by the LFO, which goes like this: "Think about that summer and I bug, 'cause I miss it like the colour purple, macaroni and cheese, ruby red slippers and a bunch of trees. Call you up, but what's the use? I like Kevin Bacon." Clearly the band agonised over the lyrics for many long seconds before laying down that track.

Jayesh also sent me an English translation of Bipasha Basu's Beedi Song: "BOY: It's so chilly, better take somebody's quilt, go and take some fire from a neighbour's stove. GIRL: Light up your ciggi from my liver, oh lover."

That may sound baffling, but the Hindi word translated as "liver" could really mean heart



In tomorrow's column I shall identify the world's ten most memorable lyrics. In the meantime, rest assured, I have nothing but respect for the poetry of the rock generation, Asian and Western. And I mean that from the bottom of my liver, oh lover.

Outrageous rockstars can send viruses to www.vittachi.com