

Tribute to General Osmany

An officer can be a general but all generals are not good leaders. General Osmany was such a leader and we were lucky to have had him as our C-in-C during the Liberation War and then in independent Bangladesh.

M. AZIZUR RAHMAN

THE culture of writing memoirs and narrating eyewitness accounts of the Liberation War is quite rich in our country; yet, I have developed only the habit of reading others' accounts rather than writing them. It pains me to see that very few have written about Bongobir General M.A.G. Osmany. Even those who enjoy the fruits of General Osmany's role do not remember him.

The name Colonel (later General) Osmany electrified all Bengali officers and former Pakistani troops, and invigorated the Bangladesh Liberation War's freedom fighters. Finding a Bengali officer who was in Rawalpindi but did not enjoy Colonel Osmany's hospitality was hard. For anyone in any form of distress, Colonel Osmany was always there. These days men like him are rare.

He had all the attributes of a successful leader: discipline, honesty, integrity, punctuality, selflessness, and simplicity. He cared for

those under his command, handled crises well, made the right decisions, and was dependable, patriotic, loyal and selfless. He had no political ambitions beyond serving his country to the best of his ability.

On September 1, 1918, Bongobir M.A.G. Osmany was born in Dayamir of Sylhet district. He was educated in Assam and Sylhet and graduated from Aligarh Muslim University in India. Before completing his Masters, he was selected for the prestigious Indian Civil Service (ICS) cadre. Instead, he joined the British Indian army as a commissioned officer in 1940 after training with the Indian Military Academy in Dehradun.

World War II had already begun when he arrived at the Burma front as a newly promoted major. After the Indian partition, he joined the Pakistani army, and then retired as a colonel on February 16, 1967. He entered politics in 1970 and was elected a Pakistan National Assembly member on Awami League's ticket.

I first met Colonel Osmany on

April 9, 1971. We were at Sylhet town on the southern end of Keens Bridge over the Surma river. A fierce battle was raging between Pakistan's army and my company group of the 2 East Bengal Regiment which consisted of EPR (now BDR) members, police, Ansars, and local civilians.

Under cover of heavy mortar and machine-gun fire, the Pakistani army, with its infantry, attempted to cross the bridge and capture the Surma's southern bank. Every time, their assault failed. Both sides suffered heavy casualties. Pakistan air force's jet fighters were also closely supporting its army. Bodies of wounded and dead fighters littered the Surma river's banks.

As a young captain with no battle experience, I tried to maintain the morale of my men by visiting the front-line troops. At one point, the enemy fired on my jeep, which fell into the river near Jalapar Mosque. No doubt, the Pakistan army possessed superior firepower and continued to pin us

down. On the way to the front line, I positioned myself on the roof of a half-constructed building near the bridge. This roof provided a better view to overlook and command the on-going battle. Amidst the confusing and deafening sounds, a thick voice suddenly spoke behind me: "Young man, what's happening?" as if the situation warranted some explanation from me.

I could never imagine that a visitor of small stature as Colonel Osmany (I had never seen him before) would have the guts and curiosity to be on the battlefield. He must have traveled a long way on foot to reach me. It was very dangerous. After a brief introduction, he quickly learned the battle situation and felt pity for my immature tactical disposition and inept handling.

I was sent there, from my battalion headquarters at Teliapara eight miles away, to capture Sylhet town. My officers and I had assumed it was abandoned, or thinly held by the withdrawing Pakistan army. Not having any operational intelligence, I fought fruitlessly against a formidable adversary only to be violently repulsed. They were heavily entrenched around Salutkor airport, and with freshly reinforced

troops, counter-attacked my position. By then, I had lost the euphoria of capturing my home district from the Pakistani army and establishing a free zone.

I had only negative answers to the queries of my commander-in-chief: replenishing the losses of arms and ammunitions, arranging burials, evacuation and medical support for the wounded, reinforcing manpower, communicating with headquarters, arranging to feed the troops, sustaining against the Pakistani onslaught, and preparing the next plan of action, if any. My earlier training at the School of Infantry and Tactics fell short of battle requirements.

Finding me at a puzzling loss, the C-in-C rescued me. He advised me to reorganise, break contact with the enemy, and withdraw to a better defensive position (he suggested the next position) after burying the dead fighters and collecting the wounded. He further cautioned me to not allow the Pakistani army to pursue my troops.

This plan was not easy to execute. Only one who has gone through a similar plight can understand my difficulty. Surprisingly, before departing, he praised my fighters for their bravery against a larger and superior force, and gave

me a big hug of reassurance. In any case, we had executed the C-in-C's order to the best of our abilities.

We met next time at Khowal hospital in an Indian border town. General Osmany had come to see me after I was wounded at the Sherpur battle, a ferry site on the Sylhet-Moulvibazar road. He must have been following the battle situations of all the fronts and heard of my condition. Upon seeing the deplorable condition of the overburdened hospital and my poor medical treatment, he took me in his helicopter to the GB hospital in Agartala for better treatment.

These two small incidents are sufficient to understand what an excellent leader this soldier was. Yet, such incidents were not isolated occurrences but part of his daily activities.

Since his death on February 16, 1984, Bongobir Osmany Smriti Parishad has ventured to keep alive the name of this great son of the soil. The parishad organises two exercises each year on the dates of General Osmany's birth and death. These exercises take the form of seminars/discussion forums. The venue was dubbed the *Osmany Milonayoton*, thanks to the kindness of the Ministry of Works. These



The freedom fighters fought under the command of Gen. Osmany.

two days the hall is reserved for functions organised by *Bongobir Osmany Smriti Parishad*.

Apart from this hall dedication, does not this great man deserve more from his nation? Bongobir Osmany spent his life and donated all his possessions for his people's welfare. As per the army's existing practice, his bust photographs hang in the troops' recreation rooms of all infantry units, East Bengal regimental centres, and School of Infantry and Tactics. Why isn't this practice extended to all units of the army, or better yet, for the entire armed forces, since he commanded all services as the C-in-C?

An officer can be a general but all generals are not good leaders. General Osmany was such a leader and we were lucky to have had him as our C-in-C during the Liberation War and then in independent Bangladesh. No wonder that within nine months he was able to organise, plan, and execute the liberation of Bangladesh from a state of total disarray. His illustrious life shall be an eternal guide to provide us with courage and direction during the turmoil.

Major General Azizur Rahman, Bir Uttam, is a freedom fighter.

The feeling is mutual

It should be noted here that mutual funds are widely known as open-end mutual funds in global capital markets. But most of the mutual funds in Bangladesh are close-end mutual funds.

M. IMTIAZ MAZUMDER

THE SEC implemented revised mutual fund regulations on July 22. According to the amended rule, mutual funds are prohibited from issuing new shares either in the form of right or bonus shares to increase their capital bases.

The SEC also imposed restrictions on mutual funds asking them not to offer pre-emptive rights shares or private placement. This implies that mutual fund shares should be offered and sold to the public through brokers/dealers but not to a pre-selected buyer or a group of buyers.

The SEC's decision to amend fund rules brought numerous investors into the street as most of the mutual funds lost value (in some cases more than 20% in a single trading session) during that volatile market (late June to mid-July), and worried investors began demonstrating against the officials of SEC.

The SEC was forced to suspend mutual fund trading several times during that market turmoil. A group of investors filed a petition against SEC's decision to change mutual fund rules. As such, the High Court asked fund managers not to distribute dividends until the SEC resolves the issue.

To date, the total number of

mutual funds in Bangladesh is below 20 and they account for less than 3% of our market capitalisation. The US is the largest mutual fund market in the world with approximately 25,000 funds and \$12 trillion assets under management.

By definition, mutual funds are portfolios of different securities such as stocks, bonds, treasuries, derivatives, etc. Mutual funds pool money of both individual and institutional investors allowing the funds to achieve: (i) economies of scale by reducing costs and increasing investment returns; (ii) diversification and diversification; (iii) active management with superior stock picking and market timing; (iv) reinvestment of dividends, interest and capital gains; (v) tax efficiency; and (vi) buying and selling flexibility. There might be varieties of mutual funds that differ in terms of their investment objectives, underlying

portfolios of shares, risks and returns, fees and expenses, etc.

It should be noted here that mutual funds are widely known as open-end mutual funds in global capital markets. But most of the mutual funds in Bangladesh are close-end mutual funds. A close-end fund differs from an open-end fund mainly due to the fact that the number of shares in a close-end fund is fixed at its inception. Moreover, a close-end fund, unlike the open-end fund is traded in the stock exchange and priced intra-day. As such, price of a close-end fund is determined in the secondary market similar to individual stocks. Investors can also execute either limit or stop trade order in close-end funds' transactions.

On the other hand, the price of an open-end fund is its net asset value (NAV) which is computed once after the close of the stock

exchange each trading day by taking the closing market value of all underlying securities of a fund plus other assets (usually cash) and subtracting all liabilities of the fund, and dividing the total net assets of the fund by total number of outstanding shares. Thus, there is only one price (i.e. NAV) for open-end mutual fund. Total net assets and the number of outstanding shares of an open-end fund may vary because of inflows (purchases of fund by investors) and outflows (redemptions of fund by investors) of money from the fund. This suggests that the number of shares in an open-end fund is not fixed.

It is worthy to mention here that a new type of security, widely known as "Exchange-Traded Fund" or ETF (a blend between open-end and close-end funds), was introduced in the US in late 1990s. ETFs are similar to close-

end funds as these are exchange traded and priced intra-day and allow investors to buy or sell shares based on the collective performance of an entire portfolio. Since the prices of ETFs do not deviate much from NAV, they have greater advantages over the close-end funds. As such, many close-end funds were converted to ETFs. Since our capital market does not offer ETF as an investment vehicle, we will leave its discussion here and focus on close-end funds, the predominant source of mutual funds in Bangladesh, and its recent glitch.

Theoretically, a close-end fund neither redeems its existing shares nor issues new shares after its initial public offering. As such, a fixed number of close-end fund shares are traded in the stock exchange. Due to this fixed capital structure, fund managers do not worry about inflows and outflows of money from funds.

Accordingly, a close-end fund manager concentrates in long-term capital investment and higher yields. However, under special circumstances, close-end funds are permitted to raise capital either by issuing preferred stock or taking short-term loans which are collateralised by the fund's original portfolio. The issuance of either right offerings, or bonus shares, or secondary offerings, or dividend reinvestments to increase the capital base of a close-end fund is considered to be detrimental to the fund as it may dilute fund returns.

Since close-end mutual funds in Bangladesh were previously allowed to issue new shares (whether in terms of right, bonus, or dividend reinvestments), this was inconsistent with the true definition and objective of a close-end fund. It is apparent that SEC took the right decision by amend-

ing the mutual fund rules. However, this raises some questions and concerns about the quality of our financial securities and capital market.

Finally, our capital market also lacks professional portfolio managers because of SEC's favoritism toward ICB and lack of private mutual funds. An ADB audit team in 2004 reported that ICB enjoys enormous facilities (e.g. non-payment of SEC fees, unlimited borrowing, undisclosed daily NAV, etc).

These extra-ordinary facilities are major impediments to the growth of private investment companies and a competitive mutual fund market in Bangladesh. As such, we also see no light at the end of the tunnel for a market for derivatives securities.

The author is an Assistant Professor of Finance at State University of New York Institute of Technology.

Infrastructure distribution

This piece is the fourth in a series of summaries of papers presented at the "Bangladesh in the 21st Century" conference held at Harvard University. The views expressed in the articles are expressly those of the authors.

NIGER SULTANA, SANGIDA MAZUMDER, SHAKILA SHARMIN and DR. ISHRAAT ISLAM

THE equitable distribution of infrastructure in a country is a pre-requisite to ensuring uniform economic and social well being of different regions of the country. A substantial improvement in the infrastructure sector is needed both in qualitative and quantitative terms.

Investment decisions in installation of infrastructure is an important factor which eventually influences development of economic and social growth centres of the country. In a developing country like Bangladesh, progress of urban and rural growth centres, as well as agriculture is critically dependent on physical and institutional infrastructure. This

study is an attempt to depict the infrastructure situation of Bangladesh in all the 64 districts of the country.

Four selected infrastructure facilities

Road infrastructure is provided and maintained by three agencies: Roads and Highways Department (RHD), LGED, and local municipalities. A total of 222,423 km of roads run through the country. Total length of paved roads under these agencies is about 25,000 km at present.

Access to electricity in Bangladesh is one of the lowest in the world -- coverage today stands at less than 20% of the total population. Consumption of power is also meager at only about 110 kWh per capita per annum. The major share of electricity is consumed by urban areas. In an agro-based country like

Bangladesh electricity in rural areas is essential for irrigation and to run small-scale industries.

The rural areas of Bangladesh suffer from lack of quality drinking water. Traditionally, the groundwater source is considered as the safest source but unfortunately over the last few years thousands of tube-wells have been found to be contaminated with naturally-occurring arsenic at higher than WHO-recommended levels. Salinity intrusion from seawater deep into the land in the southwest is rendering groundwater unfit for consumption. Cities and urban areas are also facing the problem of receding water table due to heavy groundwater extraction.

Percentages of population having access to safe drinking water increased during the period 1990 to 2002 from 71% to 75% (UNSTAT, 2005). In rural areas, access to improved sanitation has increased from 11% to 29% in the years between 1990 and 2002. However, in the case of urban areas the situation has deteriorated, coverage of sanitation dropped from 71% to 56% (BBS 2003).

Analysis of present status of infrastructure

Disparity among regions regarding distribution of facilities leads to deprived under-developed areas and causes many socio-economic problems. To measure the regional disparity in terms of spatial distribution of these four selected infrastructure facilities, two techniques have been applied in our research: (i) Composite Analysis and (ii) Location Quotient Analysis.

Composite analysis

Regional disparity is identified through distribution of different infrastructure facilities in Bangladesh. In this study, we attempt to address and evaluate the accessibility of different infrastructure facilities on the basis of population distributions in different districts of Bangladesh. For such analysis all the selected variables are considered in total to identify the status of infrastructure provision in regions of Bangladesh in respect to country's overall infrastructure facilities.

The collected data on four infrastructures were first standardised. Sum of the scores for the four selected infrastructures provided the composite score. The standardised Z score for the districts has been calculated from the composite score. To rank all the 63 districts except Dhaka, Z-scores have been categorised into seven classes. By composite analysis, it has been found that only 6% districts belong to the "national level" standard. About 51% districts belong to "below the national level" while 43% remain "above the national level." The northern districts and some southern districts of the country are deprived in terms of the four selected infrastructure facilities whereas the central part of the country is in better condition. Hill tract areas are also poorly served by these infrastructures.

Location quotient analysis

To study the district-wise distribution of particular infrastructures, Location Quotient method is used for analysis of localisation. Dependency of different districts

regarding infrastructure facilities is obtained through "Location Quotient" calculation. This development index shows a complete and detailed scenario of a region for a particular infrastructure where the value of the location quotient lower than 1 refers to lower than the national average and for greater than 1 indicates higher than national average level.

From distribution of electricity facility, it is found that about 75% districts of Bangladesh (48 districts) lie below national average. Border districts of Bangladesh are more deprived from electricity facility. About 72% districts of Bangladesh have water supply facilities above the average national level. Dhaka city and its surrounding districts have the best electricity facility in Bangladesh.

Water supply condition is far better compared to other three infrastructure facilities of Bangladesh. Hilly regions have the worst drinking water supply condition. In terms of sanitation facility, 64% districts of Bangladesh (41

districts) are below national average. Sanitation coverage is better in the capital city and its surrounding districts. Condition of sanitation facility is worst in the north-western and hilly areas of Bangladesh.

The eastern and the southern part of the country have better roadway facilities whereas this facility is not so good for the northern part. This research found some regions of the country (northern districts, hill tracts, some border districts) that are significantly deprived from all the facilities, where as the capital city and its surrounding districts are better served. So, infrastructures are not evenly distributed throughout the country which makes some regional imbalance among the districts.

Recommendations

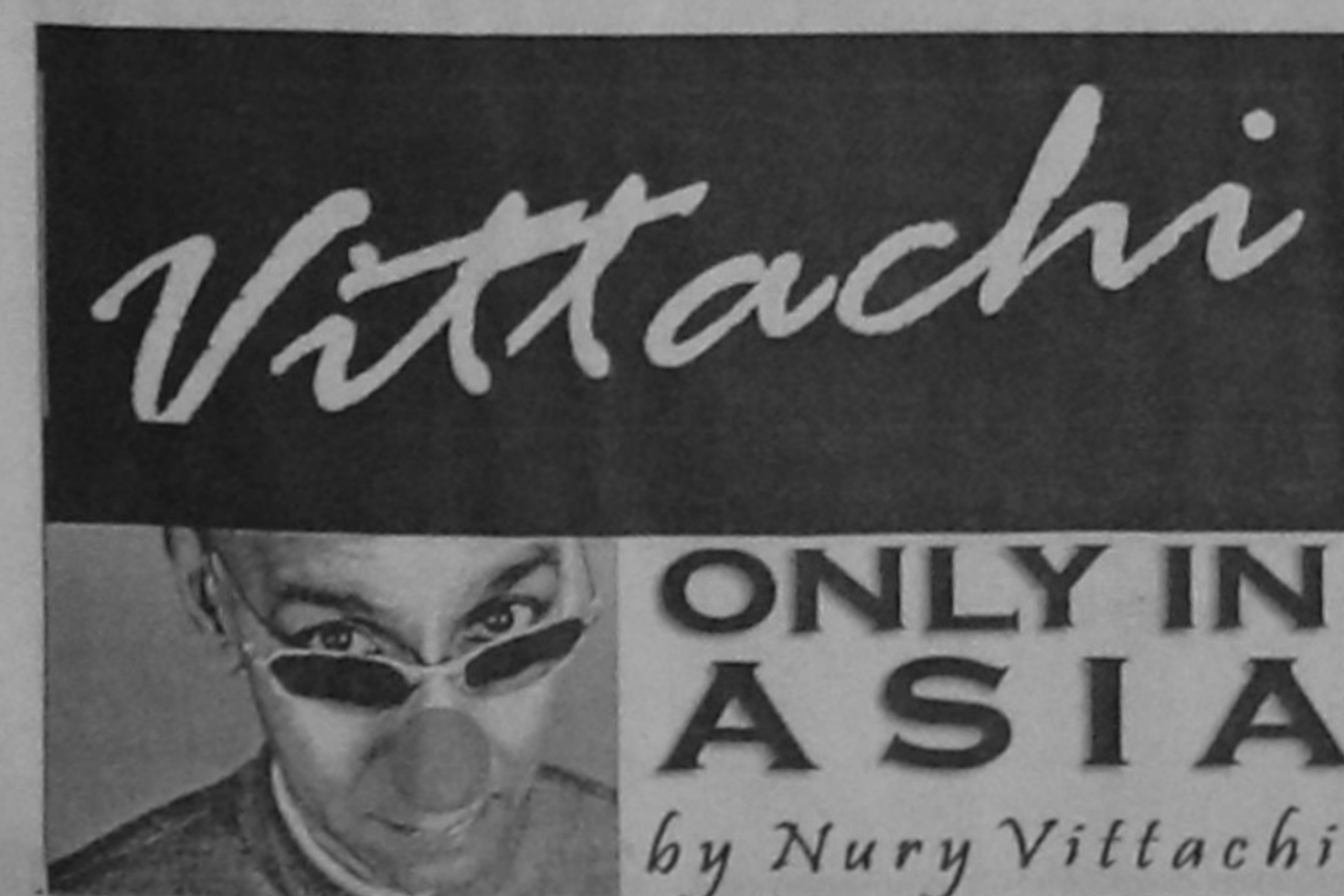
• Ensure uniform and equity distribution of infrastructures throughout the country for balanced economic and social development. It has several positive impacts such as reduction of migration of people to big

cities, optimum utilisation land resources, and improvement of local community.

- Use a comprehensive planning policy considering spatial aspects to distribute infrastructures within the country.
- Distribute availability of electricity judiciously because it is one of the major pre-requisite for industrialisation and other development works.
- In addition to agriculture and industry, tourism sector has great potential to contribute to the economy. All the infrastructural facilities discussed here have strong association with investment in tourism sector. Hill tracts and coastal areas of Bangladesh can be considered as focal points of tourism development. It is evident that these regions are deprived of infrastructural facilities.

Dr. Ishrat Islam is Assistant Professor and Niger Sultana, Sangida Mazumder, and Shakila Sharmin are Masters students, Department of Urban & Regional Planning, BUET.

The land where zblnknutie is not a misprint



AS war in Georgia intensified, the United Nations last night called for an urgent redistribution of vowels across the world.

"Sources on the ground inform us that the Russian incursion is actually a thinly disguised vowel-grab," a spokesman said. "The tragedy is that Georgia is already drastically short of vowels. The shelling started in vowel-short Tskhinvali, then the action moved to Tbilisi, and fears are growing for the city of Mtskheta, which had only two vowels to start with."

However, Russian commander Grig Mzdzhy denied having any interest in their neighbours' vowels.

"Why would we? Georgians haff hardly any vowels," Cmdr Mzdzhy said. "Their language is full of words such as *gubrdymis*. Even we cannot say them."

The UN Security Council is meeting tomorrow to discuss whether to replicate the famous air-drop of vowels over Bosnia in 1996, sponsored by *The Onion* magazine.

"Many people believe there are not enough vowels for everyone on the planet, but it is simply not true," a World Health Organization spokesman said. "Some places have an obscenely large number of them, whereas in others, people have to scrape by on less than two vowels a

day." The conflict has highlighted the world's drastic vowel shortage. The WHO has designated a minimum of two vowels a day as a minimum for health. Anything below that is classified as being "under the poverty line" - henceforth to be known as the *pvrtly* line, to avoid wastage.

Last week, the UN strongly condemned New Zealand, normally a neutral party in conflicts, for frequently using its alternative name *Aotearoa*.

New Zealand diplomats pleaded that the name was the traditional Maori word for the land, but the UN's Croation ambassador dismissed the

excuse out of hand. "In Croation, the word 'supplying' is *opskrbljivanje*," he said. "Most business people cannot say it, so economic activity has been made impossible."

A Slovak diplomat added: "Slavic languages are full of words such as *sturt* and *zmrzlina* and *zblnknutie*. Can you imagine the hardship suffered by our children, having to grow up with words that cannot be uttered, even mentally, without complex lip-manuevers that take years to master?"

New super-strict United Nations rules on excessive vowel use came into force at the weekend, and member nations are anxious to be seen to be enforcing them.

In connection with this, three arrests were made last night. A literary scholar at the Sorbonne in Paris was charged with excessive use of "Rousseauian," an Australian feature-writer was detained for writing "pharmacopoeia," and a warning was given to a London railway station manager for using "queueing" four times in an hour.

But there have also been bright spots, with nations donating vowel-rich words to the beleaguered Georgians. The Italians sent over their word *aiuola*, and the Romanians dispatched their term for sheep, made entirely of vowels: *oai*.

The Singaporeans have sent over

a surname, *Ooi*, and the Chinese have offered *mooi*, meaning "little sister."

Aid workers hope these will provide some relief until next week, when freight transport from Finland is due to arrive bearing a large shipment of the archaic 12-vowel Finnish word for dating, *riiuuyöaioionta*.

The Georgian Minister for Vowels, Radze Vdzhe, said: "When I heard about the Finnish offer, I had tears in my eyes. Or as we say in Georgia, *tyrzhin myrzh*."

Vowels and consonants are both available at our columnist's website: www.vittachi.com.