

## Per capita income approaching respectability

*Income inequality remains a setback*

THE bureau of statistics calculates the present per capita income in Bangladesh at US\$690. This is quite a leap from the previous fiscal year's \$608 and helps us get closer to the bottom of the middle-income bracket: \$850 per capita, going by the World Bank standard.

Although the elevation to middle-income group is nuanced in that Maldives with a per capita income of \$2000 still remains an LDC, there is nonetheless a reason for a country as populous and struggling as Bangladesh to be happy over the per capita increase which corresponds to the GDP growth rate at around 6 percent.

The fulfilling part of the news is that agricultural growth this fiscal estimated at 4.81 percent compared with 2.93 percent of last year, substantially contributed to the increase in income.

There is a flip-side though, that tends to dilute the sense of achievement. Going by the trends in recent years, income distribution has been asymmetrical resulting in yawning gaps between the rich and the poor. The wealth of the top ten percent of the population has increased manifold while the incomes at the bottom level have sharply dwindled over the years. Overall, the inequality index has increased. Add to this the likely fallout of the global recession on the fate of the world's poor, the full impact of which can only be measured after 2010. As it is, the World Bank estimates that poverty rate in Bangladesh would increase by 0.3 percentage point in FY2010.

Let's not forget, despite sizeable endowment of natural resources, with even manageable populations, several countries in Africa and Latin America have been caught up in the whirlwind of socio-political instabilities, largely because of asymmetrical income distribution and proliferation in the number of absolute poor in them.

Uneven income distribution has been a constant problem with our economy. It is basically the product of policy, organisational and systemic failures, all rolled into one. We must seek solutions in stepped up agriculture, rural non-farm enterprises, a whole range of informal activities, both urban and rural, SMEs with the emphasis on letter 'S', sustained remittance inflows, and above all, IT connectivity. A substantial private sector involvement and employment generation aided by NRB investments can play an effective role in bridging the rich-poor gap.

## Rice rations for RMG workers

*Govt and BGMEA both deserving of commendation*

WE applaud the announcement made by the BGMEA that it will start providing rice rations to garment workers in Dhaka and Chittagong at Tk 16 a kg by May 15.

With the market price of rice currently at Tk 20 and the government procurement price set at Tk 22, this initiative has the potential to benefit hundreds of thousands of garment workers, and is a good example of the kind of co-operation between the government and the private sector that can be implemented to help working Bangladeshis weather the current financial distress. The BKMEA has also indicated that a similar move is in the offing, and we would strongly urge the knitwear factory owners to follow the lead of the BGMEA thereby taking the safety net further.

Indeed, this initiative is a good example of the kind of co-operative relationship between the government and industrialists that we would like to see brought to bear elsewhere to address the nation's problems. Here we have the government joining hands with the factory owners to ensure that a pillar of our economy, the garment workers, receive some relief from their financial woes.

Garment worker salaries, even after the new deal that has been inked, remain on the low side, relatively speaking, so the subsidised rice comes as a relief to them.

This programme is a way for the owners to confer a benefit on the workers at minimal cost to themselves, by leveraging their organisational capacity and taking responsibility for overseeing the program.

Similarly, it makes sense for the government to essentially sub-contract the rationing process out to the owners so that the government does not have to handle the complexities and bear the expense of distribution.

All in all, the initiative is smart policy that demonstrates a welcome co-operation between the government and the private sector, and the end result will be a much-needed and appreciated subsidy for garment workers.

## Our worst fears are coming true

There has perhaps never been a more earnest desire to be proved wrong in one's assessment of a matter of great security implication for the nation than this one. Regrettably, our evaluation of the issue is being proved true from what has come to light recently about the operation through the statements of two high profile accused.

SHAHEDUL ANAM KHAN

THE matter of the Chittagong arms haul is in the headlines once again. And what is appearing in the media must be a matter of discomfiture for all. Although the issue is still under investigation what agitates one's mind is that apprehensions regarding various possibilities of collusion and linkages, which were based on rational assessment, are proving true.

News reports indicate that state agencies, or to be precise, several operatives of a state agency, have been a party to the shoddy business of illegal arms transfer. And this is the cause for concern.

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The Chittagong arms haul has been perhaps the largest confiscation of illegally transacted weapons. According to the list appearing in newspapers there were 1,290 sub-machine guns of different varieties, almost 1,200 pieces of short-range locket launchers, 400 pieces of semi-automatic rifles and more than a million rounds of ammunitions, apart from other things. The lot was enough to arm several infantry brigades.

The assertions of some government functionaries at that time, who tried to

have us believe that these weapons were meant for indigenous clandestine groups, were not worth even a perfunctory consideration on several grounds. Our contention was that it was not meant for home consumption since there was neither a group large enough to be able to make use of the weapons nor were there any with the monetary clout to pay for the volume of weapons and ammo contained in the ten truckload.

Perhaps recounting our views of the matter that appeared in the columns of this newspaper and the weekly Holiday of April 5 and 9, 2004, under the captions "Chittagong Arms Haul: Time to Act" and "Chittagong Arms Haul - Some Queries," respectively, would help put the matter in perspective. We must keep in mind that the country had never seen such kinds of weapons, except those that are available with the military, and the analysts were hard put to determine the "from whom" "for whom" and "by whom" of the consignment. We may now have the answers to one of them at least.

This was what we said five years ago almost to the day. "The fact that these people chose to use a government facility, and that too a key point installation (KPI), to unload such a huge quantity of arms and ammunition points to some collusive arrangements. Such a large operation cannot be undertaken without a 'guarantee' of immunity. Given the fact that the operation did not involve only the unloading of the consignment but also an equally risky task of delivering it to the 'consignee,' it can be possible only with a guarantee of sorts."



From whom? For whom? By whom?

It was our assertion too that, "the quantity of seized hardware negates the argument that it was for in-house use, because we are not aware of the existence of such a well-manned and well-trained underground set up, capable of not only absorbing the quantum of the materiel brought in, but also proficient in the use and handling of the weapons that were seized."

Even the Bangladesh armed forces do not possess some of the types of weapons seized in Chittagong. The types of military hardware also suggest that whoever it was meant for is well organised and trained to indulge in open hostility, i.e. taking on the government forces through conventional combat or classical military operations. We are not aware of any such groups operating in Bangladesh at this moment either."

We have perhaps the answer to "for whom," but the very important question of "by whom" remains to be determined. It is becoming more evident as the questioning progresses that the matter was in the know of high-ups of more than one state agency. What needs to be determined is whether any policymaker was in the knowledge of it

and whether the operation had his acquiescence, or was it like the Iran-contra affair where the low level operatives were involved in illegal arms transfer without the knowledge of the country's executive head?

I for one find it hard to believe that the illegal transaction was a part of the state policy. And that being so, would the accused and the security agencies, whose names have come up in the interrogation of the accused, be ready to risk their necks without direction and a "guarantee of sorts?" The million dollar question is who and of what level is that guarantor.

It needs hardly be emphasised that such operations will have serious consequences for the country's security. What we cannot accept is that our national interest be put at stake by officers working in agencies tasked to ensure state security.

For the sake of national security it is essential to pinpoint the agencies involved, the level of involvement, the personalities involved and the source of the weapons.

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## Speechless in Dhaka

It seems to the viewers that you are not distressed by the death of the workers because of unsafe working conditions, you are really not moved by the misery of the family that lives next to uninhabitable water bodies and you are not interested in protecting us from deadly viruses.

SUMAIYA ISLAM

IT must be a thankless job to be a speechwriter, especially since you cannot claim credit for your work. In Bangladesh, you would probably not want to, especially if you are writing for the seasoned politicians. You are more likely to compose a document that you regret.

But look on the bright side: isn't it great that there is no pressure for words to inspire hope, reinstate faith in the political system, and endorse any commitment to lead us out of poverty?

We were fortunate to hear the long speeches from the leaders of the government and of the opposition as they addressed considerable crowds to mark May Day. It is incredible how similar their rhetoric sounds when you close your eyes and how cynical they are of each other's role in leading the nation. You cannot help

but wonder if both the speechwriters went to the same school and sat next to each other, copying notes.

Dear leaders, if you want to win the war of words, get an informed writer with a bit of imagination and creativity. Someone who can divert us to pay attention to what you have to say rather than what the IPL scoreboard shows. Someone who helps you, at the very least, to not sound like a broken record, and assists you in using every public-speaking opportunity to your advantage.

Respectable prime minister, while I can understand your strong feelings against the opposition party, your tongue in cheek comments against them send wrong signals to the rest of your not so good-humoured team (read Bangladesh Chhatra League). Surely you are aware that they have used it in the past as a green signal to justify making the lives of the ordinary

opposition politicians hell?

We all know it is easy to blame someone else, and harder to say: "The buck stops here with me." But wouldn't that show that you are taking responsibility of the future of this disadvantaged nation? Since you have the mandate of the people to lead the nation, your speechwriter needs to be mindful about unintentionally instigating a petty political war. The dignity of your office, esteemed leader, does not permit your language to be banal and sarcastic.

Honourable leader of the opposition, do you really think that employing a large number of government servants and driving the national budget into bankruptcy is a feasible strategy? Is it reasonable to expect that a four month-old government should be able to reduce the price of rice from forty taka to ten taka? I would like to believe that your speechwriter does and you really do not.

Also, is it really smart to blame the present government for the shortage of electricity? Isn't it really the fault of the members of your camp and their unchecked greed that we owe this power debacle to? On the bright side, your speechwriter perhaps counts on the short-term memory of the ordinary citizen and hopes that you will get away with such false assertions.

If you really wanted to lash out at the government and advocate for workers, you could have impressed on the rights of migrant workers and urged the government to immediately set up a commission to regulate the industry. On the other hand, that would mean that a lot of your party's main donors would have to start running to save their skins.

Hopefully you understand that modern technology does not allow you the luxury of speaking mindlessly and getting away with it. Live TV magnifies the insincerity of your words, the superficiality of your arguments, and the lack of passion in your voice. Please impress on your speechwriter(s) that they should not write something that you are not convinced about.

It seems to the viewers that you are not distressed by the death of the workers because of unsafe working conditions, you are really not moved by the misery of the family that lives next to uninhabitable water bodies and you are not interested in protecting us from deadly viruses. Maybe you do and your speechwriters are unable to capture all these feelings. If that is so, please fire them immediately.

Sumaiya Islam is an activist and a proponent of rights-based policies.

## Is the newspaper industry at death's door?

Developing nations have not been affected by this changing trend of journalism -- thanks to low penetration of the internet. But, the blow is coming. As David Bell said: "Newspapers have to be very creative in thinking about the future challenges and opportunities."

SHAMEEM MAHMUD

DURING a recent visit to Dhaka, the chairman of The Financial Times Group, Sir David Bell, categorically accused search engine giants Google and Yahoo of "stealing" contents of newspapers, which affects the industry badly. A similar allegation came from media mogul Rupert Murdoch in early April. "Should we be allowing Google to steal all our copyrights?" asked the News Corp. chief.

Sam Zell, owner of the Tribune Company that publishes the *Chicago Tribune*, the *Los Angeles Times* and the *Baltimore Sun*, said: "If all the newspapers in America did not allow Google to steal their contents for nothing, what would Google do, and how profitable would Google be?"

It seems that Google is in trouble. Major giants in the newspaper business have pointed their fingers at the 10-year old company founded by two students in their university dorm. Google is now so powerful that media tycoons believe that it has been forcing the newspaper industry to death's door.

Google sees it differently. The search engine giant's response goes something like this: It's not Google, but the internet which has posed the threat to the traditional model of newspaper business. Google is not harming the industry, but helping with increased traffic to newspapers' websites. Google News shows only the headlines, a line or two of text and links to the story's Web site, which is fair in copyright laws.

No doubt Google has some grounds for the argument, but the anger of newspaper owners is also understandable because the newspaper industry, particularly in the US, is going through an unexpectedly sharp contraction. It is losing readers and advertisements significantly.

The average daily circulation of US newspapers declined 7% in the six-month period, ending March 31, according to the latest data from the Audit Bureau of Circulations. The data indicate that a shift in consumer behaviour has led more people to get their news and information online.

Newspapers have also lost the lion's

share of classified advertisement to the internet. To make things worse, a depressed economy has compelled more readers to cancel their newspaper subscriptions, and business companies to cut their advertisement budget as part of overall cost-cutting measurements. As a result, closures of newspapers, bankruptcy, job cuts and salary cuts are widespread.

Citing losses of \$18.9 million per year, the *Christian Science Monitor* stopped printing daily and, instead, started printing weekly editions from April. The *Rocky Mountain News* in Denver published its last print edition on April 3, after 149 years of publication. It was losing \$1.5 million a month. The 144-year old *San Francisco Chronicle* is under threat of closure. Its owner, Hearst Corporation, threatened to close the newspaper unless staff agreed to massive cutbacks. The paper's loss was more than \$50 million in 2008.

The Tribune Company filed for bankruptcy in December 2008 with \$13 billion debt. Another big paper -- *The New York Times* -- is struggling with a debt of some \$400 million. And the list goes on. A BBC report rightly questioned: "If the economic crisis goes on much longer will there be any newspapers left in the US to write about it?"

It seems that newspapers are in severe difficulty and moving gradually towards death. Many have already started to calculate when the last newspaper will be published in the western world. It is hard to believe, but the existing scenario leads to this end.

Who is responsible for the anticipated

death of print journalism? Is it Google and Yahoo who provide free contents to users? Or, has the print media failed to adapt to changing journalism in the internet era?

Yes, Google aggregates news contents and people are increasingly turning to the Internet. But, blaming Google for the demise of the newspaper industry is not right in many senses. Google doesn't generate any content. It works just like a newsstand, where titles are displayed and readers decide what to pick. Once readers choose their titles, Google directs them to the story's original website.

It is not Google or any other news aggregator, but the failure of newspaper managers to understand the new media. The existing business model of newspapers has proved its ineffectiveness in making profit in the digital age, and at the same time their web versions failed to generate revenue. It is not an easy task to make money online by selling information when users have already become habituated to free contents.

Developing nations have not been affected so far by this changing trend of journalism -- thanks to low penetration of the internet. But, the blow is coming. As David Bell said: "Newspapers have to be very creative in thinking about the future challenges and opportunities."

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