

## Murder in broad daylight

### None should get away with such a diabolical crime

SELLING out yet another stark reminder of deteriorating law and order in the city, a criminal gang on Friday perpetrated multiple murder at Karwan Bazar, fired shots in the air and made good their escape mocking at whatever police presence there might or might not have been around. Incidentally, was police patrol lowered on a Friday?

Of the three killed two were business leaders belonging to the ruling alliance. The murders are suspected to have been carried out in retaliation against initiatives the victims had taken to put a stop to extortionist forays by the killer gang. In the last one and a half decades, some 34 people have been killed at Karwan Bazar alone aside from other variegated criminal offences taking place.

Little wonder why Karwan Bazar is a metaphor for crime beneath its normal-looking exterior. As the hub of wholesale markets for vegetable, fish, fruit and a whole range of other consumer items, this marketplace is a day-and-night witness to financial transactions running into millions of Taka. Behind the scenes is a hush-hush den of so-called 'toll' collectors eyeing on a slice of the pie. The businessmen have often complained of extortionist demands over mobile phones alleging that the police hardly address their grievances when approached. With booty-sharing being a prevailing practice, so it's alleged, the cops who are supposed to be on duty tend to look away.

Whilst the home ministry and the top brass in the police ought to institute a probe into such allegations by way of ensuring effective policing and thereby rolling back falling public confidence in taking a grip of the situation, the over-arching question that needs addressing is: why law enforcement in terms of surveillance and actual crime control is not adequately focused on a marketplace that is so vulnerable to extortion and other forms of crime. Given the limited radius of the wholesale network and retail marketing outlets, what stops the local police and the various business associations to mount adequate guard against criminal elements?

As far as the specific murder goes, the culprits must be ferreted out, charge-sheeted and duly convicted in a court of law bearing in mind the self-evident truth that impunity, being the multiplier of crime, should be stopped on its track.

## The passing of Michael Jackson

*He gave music an electric dimension*

THE death of Michael Jackson brings to an end a life lived in sheer electric excitement and in the full glare of adoring and sometimes critical publicity. For more than three decades, Jackson went about giving the world of music that panache which was not only to make him famous across the globe but also give a new dimension to matters lyrical. One has only to recall his nine solo albums to understand the diversity and versatility that Jackson epitomized in his career. In the simplest of terms, Jackson transformed music in a way never conceived of before. It can also be argued that after Elvis Presley, it was Michael Jackson who took music a great many miles forward in terms of thematic evolution and global acceptability.

Jackson's music was characterized by incredible speed of movement, both in a lipping of the lyrics and the bodily gyrations that accompanied it. Soon, as it became obvious, the young man who had started off on his journey to the world of songs as a five-year-old, was developing his own rhythm, beat and dance, ideas that would mark him out from everyone else on the landscape of modern symphony. Jackson's influence would spill over, move outside America and in quick time come to encompass broad swathes of the globe. Whether it was Bangladesh or some country in Europe or a struggling nation in Africa, Jackson's music swept everyone off his feet with its tenor, indeed with its unique form of presentation. He gave dance a new form, through subjecting his body to exercises never imagined earlier. As he sang to the beat and to the deafening cries of his fans, his feet carried him backward and then forward, conveying the impression of the artiste floating in the air or in zero gravity. And then came surreal images of him singing amidst a rising wind and emerging skeletal forms of the dead. It was almost doomsday music, but the lyrics belied that impression. Jackson sang in defence of life. At the end of the day, Michael Jackson changed the whole nature of entertainment. Those who came after him, crowd pullers like Madonna, for instance, owed a whole lot to him.

Indeed, the world owes Michael Jackson, despite the travails he went through later in his life, a whole lot. That much becomes clear from the plenitude of tributes pouring in since news of his death went out to all corners of the globe. We join everyone else in praying for Michael Jackson. May his soul rest in peace.

## Phones and farmers

The price of mobile sets has come down to an affordable level. It appears that mobile phones are effective not only in terms of reducing marketing costs and price dispersions, but also in terms of managing disasters, searching jobs and improving the quality of life.

ABDUL BAYES

IN the early 1990s, I was engaged in an empirical research work on the nexus between mobile phones and poverty in rural Bangladesh. The research grant came from The Centre for Development Research (ZEF), Bonn. Many raised their eyebrows when they heard about the project. Such suspicious looks were expected in the early 1990s when even the "solvent" segment of the population could not afford mobile phones, which used to cost roughly one to two thousand dollars.

It was treated as a "luxury" item only to be monopolised by the moneyed persons. My research findings on "Village Pay Phones of the Grameen Bank" at that time clearly showed that mobile phones could help the poor escape "rural penalty," (ala H. Hudson) defined as poverty mainly due to distance, poor connectivity and symmetric information.

However, as of today, about 40% of the rural households in Bangladesh are reported to have access to mobile phones and roughly one-fourth of the users are poor. Rickshaw pullers, fishermen, traders -- all use it to minimise information asymmetry and quicken communication between two points.

About a decade later and very recently, I was invited to comment on two research papers showing the impacts of mobile phones on farmers and traders in Africa. I understand that Japan International Cooperation Agency (JICA) arranged my presence in Seoul in the Annual Bank Conference on Development Economics (ABCE) jointly organised by the World

Bank, JICA and Korean Development Institute (KDI).

Quite obviously, it was an opportune moment for me to examine my earlier hypothesis now tested in Africa, using relatively sophisticated models and rich datasets.

The first paper was by Megumi Muto and Takashi Yamano, both representing JICA and Foundation for Advanced Studies on International Development (FASID). They drew upon a panel data from rural Uganda, where banana producers could reduce marketing costs and raise income in tandem through information exchanged via mobile phones.

The expansion of mobile networks increased market participation and sales of the fresh products -- bananas. More importantly, small producers and farmers in remote areas gained more money. As information flow increases, the cost of crop marketing is expected to decrease, particularly in remote areas where potential marketing gain from the increased information flows is large.

"We indeed find that the network expansion has a larger impact in market participation in areas farther away from the district centres than in closer areas."

The second paper was presented by Jenny C. Aker of the University of California, Berkeley on the impact of mobile phones on price dispersion of grains in Niger. Using a sequential searching model, the researcher observed that cell phones increased both the traders' reservation sales price and the number of markets.

This reduces price dispersion across markets. To be specific, grain price dispersion had reduced by 6-7% reducing intra-



A scene unseen even just five years ago.

annual price variation by 10%.

What is important, though, is that not every farmer needs to have a set. The price information could spread either as a "public good" or as a "private good" through the community, producers' organisation and through others as well.

A participant from the audience in that seminar informed us that in his village in Africa a mobile phone is hanged by a rope to the branch of a tree, where those interested can use it, subject to the payment of a price.

Secondly, even with access to mobile phones, the full gains could not be reaped home, as farmers might need more information. The role of public authority and media in this respect is very important. Again, producer organisations could form an information forum of their own to be more effective at bargaining.

In the context of Bangladesh, about 47 million people have access to mobile phones. The market is still dominated by Grameen phone with roughly half of the

market share and the rest distributed among 60 other companies.

The tariff rates are gradually going down towards a competitive level. The price of mobile sets has come down to an affordable level. It appears that mobile phones are effective not only in terms of reducing marketing costs and price dispersions, but also in terms of managing disasters, searching jobs and improving the quality of life.

This "luxury" item of the early 1990s translated into a "necessity" just within the span of one decade. Mobile phones are now an essential instrument to reducing "rural penalty" not only in Bangladesh but also in other backward areas. But surely Bangladesh could boast about the beginning of an unimaginable era of communication for the farmers and the rural poor.

So, never tease a technology; it could be a triumph for every class of the society.

Abdul Bayes is a Professor of Economics at Jahangirnagar University. Email: abdulbayes@yahoo.com.

## A layman's perception

This is the reality in Bangladesh that there is neither an effective mechanism to wallop the growth of black money nor an alternative to inducing black money to whiten it. The need for increased investment is dire.

ABDUL KARIM

DISCUSSION on the merits and demerits of the opportunity offered by the finance minister in his budget speech is of late getting a lot of ink in the print media and a lot of time from the electronic media. The issue that has become rather hot to the erudite deserves a scrutiny by a layman as well.

The big question is: how far is the finance minister's proposal tenable? From a moral point of view, surely it is not a desirable proposition. But how much is it worth supporting from a practical perspective?

Our country is not a heaven-protected isle. In fact there is no such isle on earth. This is because men are not incorruptible and have no pretension to carbrundum probity.

Men also have a tendency to consider income tax laws as unjust and unfair, and want to avoid and evade income tax. In Bangladesh, this tendency is stronger. Mainly two reasons fuel it.

Firstly, the number of persons whose annual income crosses the threshold, but who are still outside the tax net, is extremely large. Secondly, even those who submit tax returns and pay income tax honestly are often questioned and sometimes harassed by tax officials, who have too much of discretionary authority and too little accountability.

Black money is of two types. The first type includes all that is earned dishonestly, which is never shown in income tax returns. The second type is that income which is earned or acquired honestly, but not reported in the income tax returns.

Where does this black money lie? A part of it is invested in assets like land, residential buildings, commercial and industrial undertakings, shares, savings certificates, etc. and quite a big part is deposited with banks, financial institutions and investment companies.

But a considerable part leaves the country for a safe haven abroad. Black money invested in real assets may be made white

automatically, if the tax authorities discharge their responsibilities scrupulously. It will be a Herculean Task to trace out the black money lying abroad and to induce or compel the owners to bring it back to the country to whiten it.

The huge amount of so-called black money can be easily ferreted out. But with the present economic and social order, it is neither practicable nor desirable to rope in this portion black money. Under the current secrecy law, banks and financial institutions generally won't disclose any information relating to their depositors, unless directed by the court. If the secrecy law is amended so as to make financial institutions submit particulars of their depositors to tax officials at their mere asking, the whole financial sector, along with the entire economy, will collapse. Nobody will opt for such an eventuality.

In a sense, the black money automatically gets whitened, although partially. The tax deducted at source by banks and financial institutions at different rates, from the interest on the deposits of even those whose total worldly income is well below the taxable limit, is certainly an overstep in the process of whitening black money, and provides the government a "system gain."

In this country, tax laws are anti-frugal and pro-prodigal. Nobody asks about the source of income when hundreds of thousand of taka is lavishly spent on foreign

tours or matrimonial functions, but as soon as somebody comes forward to invest their little savings in some productive ventures, he has to pass through a crucible.

Many people fail to distinguish between income and savings. Income is taxable if it is more than the exemption limit. But savings are not income. So the savings of a person, say a housewife, amounting to Tk.14 lac is not to be treated as black money even if she doesn't pay any income tax thereon.

This is the reality in Bangladesh that there is neither an effective mechanism to wallop the growth of black money nor an alternative to inducing black money to whiten it. The need for increased investment, to create additional jobs and generate national production, is dire.

On the other hand, there is very little likelihood of the existing regular tax-payers declaring a part of their taxable income as undisclosed income, to benefit from the marginal 10% tax.

In this context, the move to open a way for black money to surface merits appreciation. Once declared, and incorporated in the statement of assets and liabilities, the income from the erstwhile black money will be taxable and this will widen the tax base in the future. After all something is better than nothing.

Abdul Karim is a retired Secretary to the government

## The ministry of love-hate

Perhaps you thought this was always true in Iran, but it wasn't. The reign of terror that followed the revolution 30 years ago had come to seem a fading nightmare. It was restrictive, but it allowed most people to breathe and get on with their lives.

CHRISTOPHER DICKEY

DICTATORS all over the world have been watching Iran for lessons learned. Is there, perhaps, a Green or Orange or Velvet Revolution of some sort waiting to challenge them, too? They know that somewhere buried in their young and restive populations are the seeds of such a thing. And they also know just how tenuous their power will become if they have to face massive demonstrations of the kind faced in Iran.

The Arab regimes in the neighbourhood appear especially confused by the spectacle of vast passive resistance. It's the one kind of challenge they've never had to face. There's no history of, nor particular respect for the ways of Mahatma Gandhi and Martin Luther King in a culture where honour is vital and violence is considered the best way to uphold it. The new Iranian revolution, if by some chance it wins out, could change all that.

"I hate to say it," says a political activist in Jordan, "but the Persians are always out in front of the Arabs, whether they are

making Islamic revolution or this passive resistance." Egypt, Syria, Morocco, Bahrain, and even the Palestinian struggle with Israel could be transformed by what Obama called "a peaceful and determined insistence" on civil and human rights.

But a defeat of the street in Iran will shoot down such hopes. So the mass-market media in most of the Arab world have carried relatively limited coverage of the demonstrations against the allegedly rigged Iranian elections. Most leaders have even congratulated Mahmoud Ahmadinejad on his reelection victory.

The most telling reactions, however, come from those governments that are, or used to be totalitarian. Cuban television broadcast extensive reports on Ahmadinejad's victory, nothing on the protests. And Moscow? Julia Ioffe noted on The New Republic's Web site, "This just doesn't look like a rigged election to Russians, because Russians don't rig their elections; they engineer them."

The specter of Tiananmen still haunts the Beijing leadership after 20 years, and

the idea of a replay fueled this time by the Internet and cell phones clearly horrifies the old guard. So last week, propaganda authorities issued an emergency notice telling Chinese newspapers and Web sites to cut back their coverage of events in Iran.

According to the *South China Morning Post*, a major portals like Sina.com dropped the news agencies' video and deleted comments, replacing them with material from the official *People's Daily* and *Xinhua* news service. Beijing must have been nervous.

Yet, it would seem the totalitarians past and present are winning. Passive resistance is being smashed in Iran, and that may signal the success of something much more insidious and repressive than mere dictatorship.

"Totalitarian" is one of those words that's been applied so often that it doesn't seem to mean much any more. But back in the middle of the 20th century, when George Orwell wrote the bleak, iconic novel 1984, he had a profound sense of the evil that men did when they sought to control every aspect of a nation's and a people's life.

Day by day, even as less and less news leaks past the human censors and inhuman digital filters, we can still make out the shadowy outlines of a new totalitarian state aborning. And this is something new.

Perhaps you thought this was always true in Iran, but it wasn't, quite. The reign of terror that followed the revolution 30 years

ago had come to seem a fading nightmare. The regime, even under President Mahmoud Ahmadinejad, had become one that could accommodate many views. It was restrictive and sometimes capricious, but it allowed most people to breathe and get on with their lives.

When right-wing American pundits anxious to discredit Muslims everywhere talked about "Islamofascism," the Iranian reality tended to give the lie to their arguments, not confirm them. Now, sadly, all that is changing.

"In our world there will be no emotions except fear, rage, triumph and self-abasement," says the state interrogator in the 1984 Ministry of Love, which is the ministry of hate. The message is beaten into the society until all resistance, even mental resistance, is broken. As the protagonist of Orwell's novel finally surrenders, he lets himself believe that "Freedom is slavery," that "two and two make five," if the state tells him so, and that "God is Power." He learns to love Big Brother.

That was the kind of love, based on lies and fear, which the old totalitarian governments learned to expect from their populations. That is the kind of love the leaders of Iran's government seem to want from their people today. No wonder the Russians, the Chinese and the Cubans are cheering them on.

© Newsweek International. All rights reserved. Reprinted by arrangement.