

# A reflection of unpreparedness?

The budget makes one wonder whether the government is a bit unprepared when it comes to Digital Bangladesh. An emergency fund of Tk.100 crore has been allocated with no clear indication of what it will be spent for.

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There is no doubt that Digital Bangladesh is not only a catchphrase for the government, but is also a reflection of the common man's desire for a better and modern Bangladesh. The once popular phrase Shonar Bangla is now being replaced by "Digital Bangladesh."

The national budget reflects the government's commitment towards Digital Bangladesh, but possibly falls short with respect to giving a clear direction about the approach it will take to realise the goal. Its commitment is indicated by the fact that the total allocation for ICT-related components has substantially increased from last year.

However, there are also indications that the level of commitment may not be matched by the degree of preparation needed for creating Digital Bangladesh, since it is very much of a cross-cutting issue that permeates across almost all sectors.

One of the most talked-about components of Digital Bangladesh is the issue of e-governance, which gets vague and scattered mention in the budget. There is a statement that "we want to transform to e-governance by 2014" without an explanation of what it means. There are many e-governance projects underway -- so the process has already started. In that context, the meaning of this statement is unclear.

Furthermore, except for NBR automation and land record management automation, there is no specific mention of any other digitisation/automation or e-governance project. This does not necessarily indicate a lack of commitment, but possibly reflects a lack of adequate planning prior to budget presentation.

While the government is focused on finding public-private partnership (PPP) solutions for infrastructure development, this attention has not diffused through to issues of e-governance. The section on PPP does not mention e-governance at all, although there is significant scope for private sector partnership, and not just outsourcing opportunities, in this sector. Sustainability of e-governance projects often depends on whether the technological partner has invested in the success of the project. The budget does not reflect that there is adequate appreciation of this aspect within the government.

An example from a neighbouring country can give a better sense of what I am talking about. The Bangalore One initiative by the government of the Indian state of

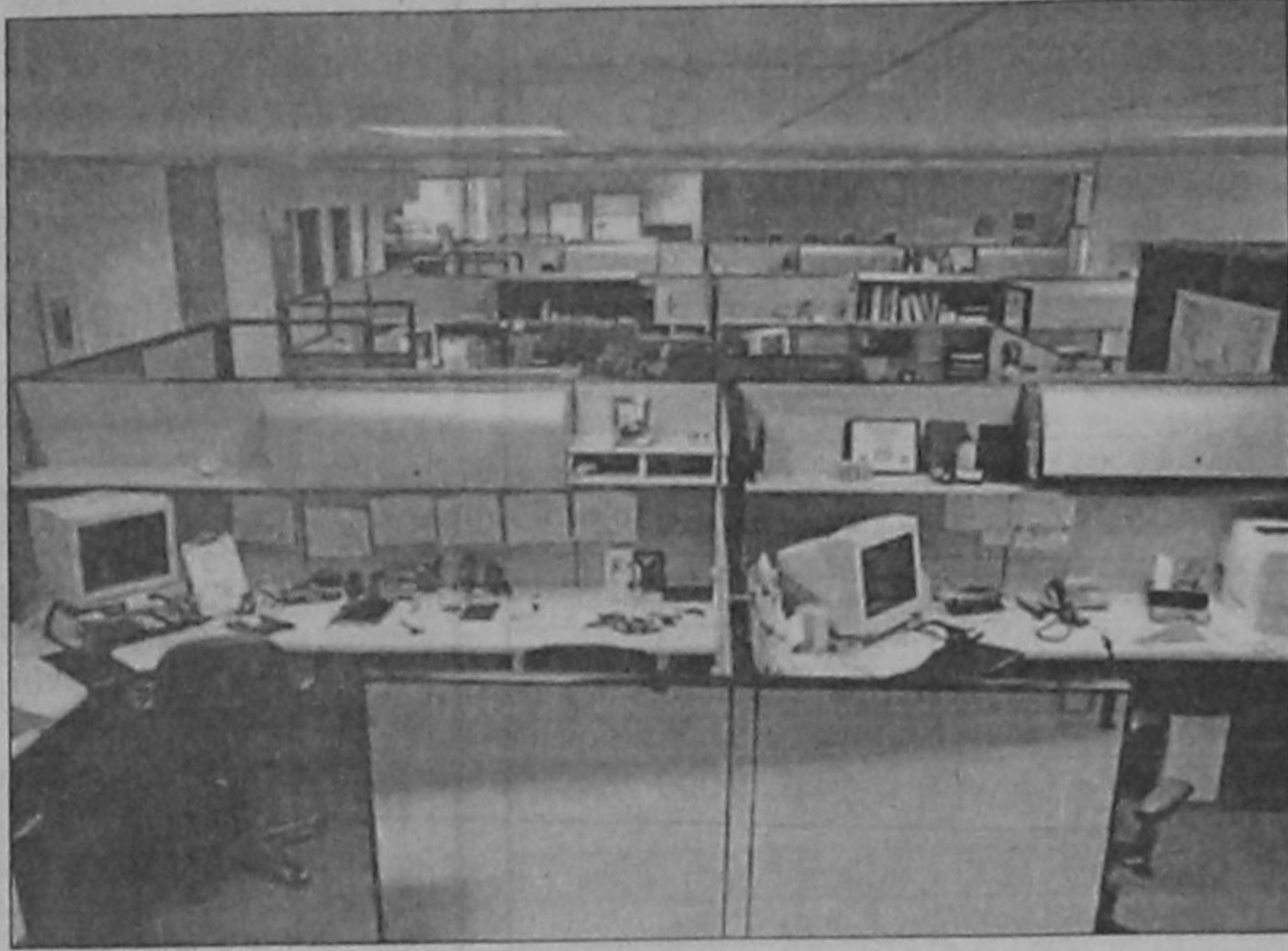
Karnataka covers 26 citizen services pertaining to 11 government departments. There are 17 centres through which these services are provided to citizens. This entire service delivery mechanism has been made possible with little investment from the government since there are 6 private sector players involved, including software companies and banks.

The budget also does not reflect an understanding of the biggest problems of the software industry, which is the main engine for creating a Digital Bangladesh. The two biggest bottlenecks that the software industry is currently facing are -- financing options and availability of skilled human resources with technological and management capabilities.

The government has attempted to address the first bottleneck by doubling the Equity and Entrepreneurship Fund (EEF) of the Bangladesh Bank from Tk.100 crores to Tk.200 crores, although the finance minister makes no mention of the fact that there is implementation challenge in the disbursement mechanism itself, since identifying innovative software companies requires a different set of criteria and skill level on the part of the fund manager.

This EEF had remained unused in previous years -- so the solution is not necessarily to increase the amount of the fund but to develop capacity to disburse the funds and perhaps also link it to possible PPP initiatives in e-governance.

With respect to the second bottleneck, the finance minister makes no clear commitment except to "target a benchmark of 4,000 computer engineers and scientists graduating each year from the last year of



With regards to applications of ICT in education and health, the budget demonstrated very little understanding of the issues involved. Even after years of advocacy by NGOs and UNDP, this year's budget again reflects that the government still seems to fail to appreciate the issue of use of ICT tools for general education -- that sending computers to school should not only be aimed at making students computer-literate. The issue of ICT tools for health services in disadvantaged areas is also not touched upon at all.

With respect to taxation, some essential drivers of Digital Bangladesh, such as mobile phones, computer monitors and printers, are taxed more than deemed appropriate by relevant quarters.

The budget makes one wonder whether the government is a bit unprepared when it comes to Digital Bangladesh. An emergency fund of Tk.100 crore has been allocated with no clear indication of what it will be spent for. Furthermore, the administrative mechanism for realising Digital Bangladesh is still a bit unclear since the points of decision-making and implementation monitoring seem to be scattered across several government entities.

In the budget speech, there is mention of the government working with IT associations for "creating a workplan." This can be seen as a positive sign to engage the private sector, but it can also indicate lack of adequate preparation within the government. We are anxiously waiting to see which is true.

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The equipment is ready. Are we?

our tenure." There is no clear allocation of funds associated with this commitment. The software industry has long been proposing the development of training institutes to make the computer engineers and scientists "industry-ready" since the curriculum and approach taken by most universities do not prepare their graduates for employment in the industry.

The Bangladesh Computer Council has, for many years, been subsidising internship of students employed in the software sector, but a more systematic approach to preparing human resource needs more targeted focus from the government.

With respect to access to information

and communication technologies, the government makes high-level commitment by promising to extend the reach of fiber optic cables within the country and linking to a second submarine cable. In a time of growing access to Internet through mobile phone networks and upcoming Wimax technologies, one fails to see why the government is still focused on building out fiber optic cables when the real issue that remains untouched is how common people will get access to computers and Internet in an affordable way. Building and extension of telecenters (or "rural cyber-cafes") is not mentioned, neither is the issue of using government post-offices as telecenters.

# Literacy and manpower development

Manpower development does not mean the development of high-level manpower only. It also means the development of the capabilities of every citizen of the country. In order to do this it is essential to gear up primary education and organise adult education on a massive scale.

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Perhaps nobody is going to deny the fact that education unlocks the door to modernisation. It has been found that there is a positive correlation between the rate of literacy and per capita income of a country. It is obvious that we are feeling the pinch of neglecting the education sector in the past. No country can be expected to move ahead or make any headway in its efforts for development with 70% of its people being illiterate.

There are about 90 million illiterates in the country. Some vital national programs, such as population control and family planning, increased food production, etc. are greatly hindered due to lack of participation by the general masses, who lack the awareness needed for voluntary participation in these programs. In order to involve the general masses in nation building activities, education is urgently needed.

Manpower development does not mean the development of high-level manpower only. It also means the development of the capabilities of every citizen of the

country. In order to do this it is essential to gear up primary education and organise adult education on a massive scale. It has been proved that sporadic efforts by voluntary organisations are not sufficient to educate 90 million illiterates. Nationwide planning and mobilisation of resources, both financial and material, are essential for such a gigantic endeavour.

Basic education was never taken seriously. We had heard of introduction of universal primary education even during the Pakistan days, but in reality very little progress had been made toward achieving this goal. Adult education also met the same fate. Many people believe that learning the alphabets and being able to sign one's name is enough education for the adults. It is clear that in these days of technology, literacy of this standard will never be useful and functional in the development programs.

In order to be useful and functional, the standard of literacy should be of the standard of Class-V of the primary education level. Since this factor was totally

ignored, literacy of a very low standard was imparted to the illiterates. These people reverted back to illiteracy in no time, resulting in no progress in adult education.

We talk of democracy, but it is not understandable how it can function in a country where 70% of the people are illiterate. There is, however, the other side of the coin, which means that an educated citizenry can cause trouble for those who engage in exploitation. If we are serious about developing our manpower, why it is that we are not assigning

the proper priority to the education sector, particularly to basic education, which is vital for raising the level of awareness of the masses?

Since it has been proved that spoon-fed and paternalistic development approach has failed, the only alternative is to let the people fend for themselves by providing the basic knowledge and skills required for survival. Towards achieving this goal the following strategies are suggested:

- It is necessary to determine the learning needs of the rural people before a pro-

gram is launched. This is very important for ensuring that proper type of knowledge and skills are provided to the illiterates. Different types of literacy programs by different organisations without clear-cut goals are most undesirable.

- On the basis of determined needs, a suitable curriculum should provide the needed awareness as well as skills that can generate some income for the rural poor. Appropriate textbooks and supplementary reading materials should be prepared by specialists who are experienced in writing for adults.
- There is a notion that anyone can teach a literacy class. This is far from the truth, and is probably the reason why literacy efforts have failed in the past. Training of special type is needed to teach adults, and should be undergone by all persons engaged in literacy programs. In this regard the experience of Brac, who have been engaged in literacy work, may be very useful.
- Preparation and implementation come next. They involve proper mobilisation of manpower and financial resources to launch the program on a nationwide basis. Appropriate management systems and monitoring and control devices should be established in order to ensure positive results as well as quality of the program. An intensive course of six months to one year may be enough to make the literacy level quite functional for the participants.

- Unless proper follow-up materials are prepared and supplied, the literacy newly attained by the participants may not be retained by them for long. In order to prevent this, supplementary books with useful contents should be printed and supplied to the neo-literates for enrichment of their level of education through self-study. In this case, regular programs may be broadcast through radio and TV, which would be very useful for raising consciousness of the neoliterates. It would be highly advisable to open channels of the TV entirely for the purpose of educating the rural people. Short of only face-to-face contact, the TV can be highly useful in teaching family planning and all types of rural development works.
- Finally, the question of funds. There is no doubt that the proposed nationwide program on literacy will involve a huge amount of money, but the return from such investment will be manifold in the long-run. In this case the Chinese proverb "if you lend me a fish you feed me for a day, but if you show me how to fish, you feed me forever" should be remembered. Finally, it must be realised that time is running out very fast. Unless things are done on a priority basis, problems will multiply and may surface in a colossal manner, defying temporary solutions and leading to chaos and confusion.

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Investing in the future.

# The end of the globalisation debate?

But when and if the economy recovers, the stresses may well return -- unless workers and families have more confidence in their employment prospects. In this case, the globalisation debate could pick up where it left off last summer, in the weeks before the crisis began.

EDWARD GRESSER

The Obama administration seems the model of an internationalist, centre-left government. It began its global-economy policy with a strong line against protectionism as a threat to recovery from this year's economic crisis, an expansion of state aid to workers dislocated by trade competition, and a pledge of new money for the International Monetary Fund. From there it is moving on, looking for ways to encourage a new foundation for long-term growth based upon newly developing environmental technologies, moving a free trade agreement with Panama and then perhaps larger trade initiatives with Korea, Colombia and the WTO.

Meanwhile, American public opinion on trade has brightened. With the nation in a crisis emerging from the housing and financial services sectors, and with imports and trade deficits falling steadily and rapidly, polls find American support for trade policy returning to its long-term

average -- generally positive, though not starry-eyed -- after a sharp dip in 2006 and 2007. And strong majorities, a 60-37 split in the most recent *New York Times* poll, believe the US needs to cooperate with foreign governments on economics in order to solve the crisis.

Thus, rather than a confrontation with China or a push to quickly reshape the North American Free Trade Agreement, the administration is emphasising coordinated stimulus, open markets, and improved financial regulation. But the debate is more likely on "pause" than settled for good. The last two weeks have brought a modest backlash against the administration's internationalism.

Senator Sherrod Brown, a long-time critic of trade agreements from Ohio, introduced a bill to prevent negotiation of any new agreements, pending a revision of all the old ones: "If in fact President Obama does not open up Nafta for review, we must not continue the failed system for future trade agreements."

A group of quasi-"populist" House

Democrats, calling themselves the Trade Working Group, is resolutely attacking the agreement with Panama. The group's leader, a Maine Representative, terms the agreement "Bush-era" (despite its revision to include the labour and environmental clauses long sought by unions and environmentalists) and calling the president's plan to move ahead with it "absolutely outrageous and a serious mistake."

And an industry/labour group called the Fair Currency Coalition, centered on steel and textile interests, announced a new bill to force the administration to threaten China with tariffs to gain a change in currency values, recruiting Michigan Senator Debbie Stabenow and Kentucky economic-nationalist Republican Jim Bunning, plus forty House members from both parties to introduce it.

The spate of bills seems more a demonstration than the opening of America's first genuinely serious trade debate since the confrontations with Japan in the 1980s. In 2009, as the administration struggles with the financial crisis and the public hopes for cooperative relationships with foreign countries, these bills aren't likely to be enacted, and they seem unlikely to succeed in blocking the Panama agreement. But these rumblings amount to the first challenge to Obama's ability to set policy for Democrats -- and highlight the importance less of the

administration's early trade strategy than of its long-term hopes for re-founding American growth and employment in new "green" industries.

The rebound in public support for trade this year comes after a sharp drop between 2004 and 2007. This in turn coincided with a period of growth -- but growth that seemed to reach few workers. Household wealth grew rapidly, as low interest rates pushed up stock market accounts, home values and GDP. But though home-owners and consumers fared well for a while -- in retrospect, too well for their own good -- the decade was a remarkably bad one for workers and especially for job-seekers.

The millennium's first decade featured the slowest growth in employment since the anomalous 1930s. Since 2000, the US has added a net gain of 1.7 million jobs -- after a gain of 17 million in the 1960s, 19 million in the 1970s, another 19 million in the 1980s, and 21 million in the 1990s. Factory work fared especially badly. It has been declining almost everywhere in the world, and has been falling as a share of the US workforce since the mid-1950s. But this decade's experience was not a decline but a sheer drop, from 17 million factory jobs in 2000 to 12 million this year -- the lowest total since the 1940s.

In these circumstances, unhappiness is natural and will find a target. The most plausible cause of the phenomenon is the massive rationalisation of industry

through the Internet and information technology. But technology is a hopeless villain, as attempts to reverse it are usually futile and most people like it anyway. Instead, this decade's years of growth saw a surge in unhappiness with immigration among Republicans and with trade competition among Democrats. Last year's presidential primaries provided a highlight, with the intense competition among Republicans to sound tough on immigration and the debate among Democrats over the North American Free Trade Agreement.

In fact, attempts to solve the jobs problem by addressing these issues haven't worked especially well. The Bush administration's experiment with steel tariffs in 2002 and 2003 achieved little. Its imposition of quotas on Chinese textiles between 2006 and 2008 had no effect at all. Neither has the fence built along parts of the US-Mexico border done much. But though such policies may offer little promise, they reflect a genuine alarm that will naturally be reflected in the political system.

For now these emotions have faded, muted by the larger threat of the financial crisis, and confined to the traditionally trade-sceptical politicians filing the bills. To the broader public, the risks of confrontational trade policy apparently seem much higher than they did a year ago, and support for more cooperative relationships with foreign governments is unusu-

ally high. And in any case, the rising trade-deficit figures and illegal-immigrant counts have gone into reverse this year. This year's trade imbalance, in fact, has already dropped to levels last seen in the late 1990s, as shoppers stay out of malls and auto dealerships. In total, it may fall from \$700 billion in 2008 to \$300 billion in 2009.

But when and if the economy recovers, the stresses may well return -- unless workers and families have more confidence in their employment prospects. In this case, the globalisation debate could pick up where it left off last summer, in the weeks before the crisis began.

This is why, as heartening as the administration's early trade and global-economy policies are to internationalists, the real promise may lie in the administration's hope for a new domestic foundation for economic growth and employment. If that works out as Obama hopes -- with investors channeling their money less often into real estate and finance, and more often into research, environmental innovation and clean investment -- we may see companies hiring people again. If so, the trade and immigration anxieties of the pre-crisis years may fade permanently. If not, they will be with us again.

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